Desjardins Group - Climate Change 2023

C0. Introduction

C0.1

(C0.1) Give a general description and introduction to your organization.

Desjardins Group is the largest financial cooperative in North America, with assets of $407,1 billion as of December 31, 2022. As one of the largest employers in the country, Desjardins Group capitalizes on the skills of more than 58,000 employees and the commitment of over 2,400 directors elected locally. The organization grouped together 212 caisses in Québec and Caisse Desjardins Ontario Credit Union Inc., the Fédération des caisses Desjardins du Québec and its subsidiaries and the Fonds de sécurité Desjardins. A number of its subsidiaries and components are active across Canada, and Desjardins Group maintains a presence in the U.S. through Desjardins Bank, National Association, and Desjardins Florida Branch.

Through its Personal and Business Services, Wealth Management and Life and Health Insurance, and Property and Casualty Insurance business segments, Desjardins Group offers a full range of financial services to members and clients designed to meet their needs.

Mediacorp Canada has recognized Desjardins as one of Canada's Greenest Employers every year since 2015. For the 9th year in a row, we're on Corporate Knights magazine's list of the Best 50 Corporate Citizens in Canada. In 2022, Desjardins Group also achieved the highest ESG Assessment score of all entities in Moody's ESG Solutions' industry category "Diversified Banks" in North America. We were also ranked one of the World's best employers according to Forbes and distinguished ourselves within the banking and financial services industry.

Desjardins manages over CA$12.4 billion in assets for members and clients who have chosen to invest in responsible investment savings products that engage in active dialogue with businesses to promote environmental, social and governance practices. Desjardins demonstrated once again in 2022 its position as a Canadian leader in responsible finance, not only through its large offer of responsible products, including all 28 Desjardins SocieTerra Funds and Portfolios which are oil- and -pipeline-free since June 2020. In 2022, we took home 6 trophies at Fundata's annual FundGrade A+ 2 for the SocieTerra funds and 4 for guaranteed investment funds. Desjardins was also the first Canadian financial institution to sign the UN's Principles for Responsible Banking in 2019. In the same year, Desjardins also committed to the Principles for Sustainable Insurance (PSI). Both pledges follow the organization's commitment to the Principles for Responsible Investment (PRI), more than ten years ago.

C0.2

(C0.2) State the start and end date of the year for which you are reporting data and indicate whether you will be providing emissions data for past reporting years.

Reporting year

Start date
January 1 2022

End date
December 31 2022

Indicate if you are providing emissions data for past reporting years
Yes

Select the number of past reporting years you will be providing Scope 1 emissions data for
3 years

Select the number of past reporting years you will be providing Scope 2 emissions data for
3 years

Select the number of past reporting years you will be providing Scope 3 emissions data for
3 years

C0.3

(C0.3) Select the countries/areas in which you operate.
Canada
France
United States of America

C0.4

(C0.4) Select the currency used for all financial information disclosed throughout your response.
CAD

C0.5

(C0.5) Select the option that describes the reporting boundary for which climate-related impacts on your business are being reported. Note that this option should align with your chosen approach for consolidating your GHG inventory.

Operational control

C-FS0.7

(C-FS0.7) Which activities does your organization undertake, and which industry sectors does your organization lend to, invest in, and/or insure?

	Does your organization undertake this activity?	Insurance types underwritten	Industry sectors your organization lends to, invests in, and/or insures
Banking (Bank)	Yes	<Not Applicable>	Exposed to all broad market sectors
Investing (Asset manager)	Yes	<Not Applicable>	Exposed to all broad market sectors
Investing (Asset owner)	Yes	<Not Applicable>	Exposed to all broad market sectors
Insurance underwriting (Insurance company)	Yes	General (non-life) Life and/or Health	Exposed to all broad market sectors

C0.8

(C0.8) Does your organization have an ISIN code or another unique identifier (e.g., Ticker, CUSIP, etc.)?

Indicate whether you are able to provide a unique identifier for your organization	Provide your unique identifier
Yes, another unique identifier, please specify (Quebec Enterprise Number (QEN))	1160196300
Yes, another unique identifier, please specify (Legal Entity Identifier (LEI))	549300B2Q47IR0CR5B54

C1. Governance

C1.1

(C1.1) Is there board-level oversight of climate-related issues within your organization?

Yes

C1.1a

(C1.1a) Identify the position(s) (do not include any names) of the individual(s) on the board with responsibility for climate-related issues.

Position of individual or committee	Responsibilities for climate-related issues
Board Chair	Climate-related files are supervised by the Board of Directors (including the Chair) as needed, with the support of the Corporate Governance and Responsible Finance Commission and the Risk Management Commission. The Board of directors of the Fédération des caisses Desjardins du Québec oversees the implementation of an effective risk culture and internal control framework through its Risk management commission subcommittee. Through its Corporate Governance and Responsible Finance Commission, it has responsibility for climate-related and ESG issues. The Board's mandate specifically includes responsibilities for climate-related issues and the Board members were trained on the subject. In addition, 10 members of the board (53%) have a knowledge/competency level considered as advanced in corporate responsibility and responsible investment, including on climate change. From 2018 to 2021, the year of the release of the renewed climate ambition 2040, the Board has had a specific objective related to the release of this climate ambition and its short-term targets. We updated our sustainability policy in 2020, making ESG criteria even more central to our practices. The same year, we also adapted this policy to include our caisses for the first time. At the end of a three-year transition period, 88% of caisses had adopted this policy, which identified sustainability priorities and laid the foundations for ESG integration in caisse activities. This year, a strengthened version of this policy was made mandatory for all caisses. This move will help us take a more unified approach to sustainable development at the local level, in keeping with our goals.
Board-level committee	The Corporate Governance and Responsible Finance Commission is a six-member committee of the board. As part of its mandate, it is responsible for overseeing Desjardins's corporate climate-related strategy and climate- and ESG-related issues, which is implemented and monitored by the Desjardins Executive Management Committee (DEMC). It also ensures the proper implementation, monitoring and improvement of the sustainable development policy, overall action plan and key performance indicators.
Board-level committee	The risk management commission's main role is to assist the board with overall strategies and directions for risk management. It ensures the implementation of an integrated risk management framework, standards and policies that establish the rules for accepting, monitoring, managing and reporting the material risks that Desjardins is exposed to, including risks related to climate change. The commission also monitors compliance with Desjardins Group's risk appetite framework.
Chief Executive Officer (CEO)	Desjardins's Chief Executive Officer has ultimate responsibility and direct input into the development of Desjardins's climate strategy. The CEO is also Chairman of the Board. The CEO's annual objectives which include the integration of ESG factors and climate strategy are approved by the Board.
Chief Sustainability Officer (CSO)	Desjardins has a senior executive position responsible for overseeing the development and the implementation of the corporate climate strategy and other sustainable development initiatives. This position is in charge of integrating ESG factors and climate strategy across the business model of Desjardins. The Secretary General and VP of Governance and Sustainable Development is responsible for influencing other executive business leaders and for updating the Chairman. She also is the functional head of the Corporate Governance and Responsible Finance Commission and the Chair of the ESG Steering Committee which reports to the Management Committee.
Chief Risk Officer (CRO)	The CRO is in charge of the integration and the management of climate change risks in the organization, including the definition of the climate change risk appetite. She is also the functional head of the Risk Management Commission. The CRO is currently also the executive sponsor of the decarbonation program of our operations ('Cooperating for the Climate Challenge). She is also responsible for the effective implementation of the 3 lines of defence model at Desjardins. The 3 lines of defence models must therefore ensure risk is managed at all levels of the organization by dividing up roles and responsibilities as follows: The first line of defence provides products and services to members and clients, manages risks and ensures that controls for the processes it owns are effective. The second line of defence monitors risk, does an effective challenge, offers expertise, and provides assistance for questions related to the risks generated by the first line of defence. The third line of defence, Desjardins Group Monitoring Office (DGMO), provides independent and objective assurance to the Management Committee and the Board about the overall effectiveness of governance, risk management and controls.
Chief Operating Officer (COO)	Desjardins's Chief Operating Officer has the responsibility to implement the Board's climate change strategy and support the Chief Sustainability Officer. The COO's annual objectives which include the integration of ESG factors and climate strategy are approved by the Board.

C1.1b

(C1.1b) Provide further details on the board's oversight of climate-related issues.

Frequency with which climate-related issues are a scheduled agenda item	Governance mechanisms into which climate-related issues are integrated	Scope of board-level oversight	Please explain
Scheduled – some meetings	Reviewing and guiding strategy Overseeing and guiding the development of a transition plan Monitoring the implementation of a transition plan Overseeing the setting of corporate targets Monitoring progress towards corporate targets	Climate-related risks and opportunities to our own operations Climate-related risks and opportunities to our banking activities Climate-related risks and opportunities to our investment activities Climate-related risks and opportunities to our insurance underwriting activities The impact of our own operations on the climate The impact of our banking activities on the climate The impact of our investing activities on the climate The impact of our insurance underwriting activities on the climate	The roles of Desjardins's Board of directors regarding climate-related issues are to ensure their integration into the business strategy and risk management, follow-up on the implementation of the Sustainability policy, adopt and monitor climate-related business strategies (such as the 2017 Global positioning towards the Paris Agreement and our 2040 net zero climate ambition) and monitor the performance of climate-related engagements. The Board's mandate was revised in 2018 to specifically include responsibilities for climate-related issues and board members receive climate-related training. Climate change issues are linked to strategy, risk management, ESG positions, and operations. These topics are discussed at least on a quarterly basis (update on recent ESG/climate trends, ESG/climate performance quarterly update, presentation and/or decision on ad hoc climate-related projects, etc.).

C1.1d

(C1.1d) Does your organization have at least one board member with competence on climate-related issues?

	Board member(s) have competence on climate-related issues	Criteria used to assess competence of board member(s) on climate-related issues	Primary reason for no board-level competence on climate-related issues	Explain why your organization does not have at least one board member with competence on climate-related issues and any plans to address board-level competence in the future
Row 1	Yes	10 members of our board have an advanced level in sustainability and responsible finance, including on climate change topics. The criteria to meet the advanced level are listed below: - Possesses a level of knowledge and competency in the field sufficient to apply a professional judgment on the subject, to understand the impacts on all stakeholders and to take a position; and/or - Consistently brings relevant ideas, resources, practical perspectives on processes or improvements to the Board and Executive levels. - Possesses critical thinking skills and is able to stimulate and challenge senior executives, as well as support others in developing this competency. - Four to eight years of experience in that field; and/or - Recognized undergraduate or graduate degree in the field or relevant certification	<Not Applicable>	<Not Applicable>

C1.2

(C1.2) Provide the highest management-level position(s) or committee(s) with responsibility for climate-related issues.

Position or committee
Chief Executive Officer (CEO)

Climate-related responsibilities of this position
Providing climate-related employee incentives
Setting climate-related corporate targets
Monitoring progress against climate-related corporate targets
Assessing climate-related risks and opportunities
Managing climate-related risks and opportunities

Coverage of responsibilities
Risks and opportunities related to our banking
Risks and opportunities related to our investing activities
Risks and opportunities related to our insurance underwriting activities
Risks and opportunities related to our own operations

Reporting line
Reports to the board directly

Frequency of reporting to the board on climate-related issues via this reporting line
More frequently than quarterly

Please explain

Position or committee
Chief Operating Officer (COO)

Climate-related responsibilities of this position
Managing annual budgets for climate mitigation activities
Providing climate-related employee incentives
Developing a climate transition plan
Implementing a climate transition plan
Integrating climate-related issues into the strategy
Setting climate-related corporate targets
Monitoring progress against climate-related corporate targets
Assessing climate-related risks and opportunities
Managing climate-related risks and opportunities

Coverage of responsibilities
Risks and opportunities related to our banking
Risks and opportunities related to our investing activities
Risks and opportunities related to our insurance underwriting activities
Risks and opportunities related to our own operations

Reporting line
CEO reporting line

Frequency of reporting to the board on climate-related issues via this reporting line
More frequently than quarterly

Please explain

Position or committee
Chief Risks Officer (CRO)

Climate-related responsibilities of this position
Conducting climate-related scenario analysis
Assessing climate-related risks and opportunities

Managing climate-related risks and opportunities
Other, please specify (Design and implement climate-related risks appetite framework ; Design and implement climate-related KRIs and KPIs; Conduct climate-related stress tests; Report climate-related risks internally and to regulators)

Coverage of responsibilities
Risks and opportunities related to our banking
Risks and opportunities related to our investing activities
Risks and opportunities related to our insurance underwriting activities
Risks and opportunities related to our own operations

Reporting line
Operations - COO reporting line

Frequency of reporting to the board on climate-related issues via this reporting line
Quarterly

Please explain

Position or committee
Chief Sustainability Officer (CSO)

Climate-related responsibilities of this position
Managing annual budgets for climate mitigation activities
Developing a climate transition plan
Implementing a climate transition plan
Integrating climate-related issues into the strategy
Conducting climate-related scenario analysis
Setting climate-related corporate targets
Monitoring progress against climate-related corporate targets
Managing public policy engagement that may impact the climate
Managing value chain engagement on climate-related issues
Assessing climate-related risks and opportunities
Managing climate-related risks and opportunities

Coverage of responsibilities
Risks and opportunities related to our banking
Risks and opportunities related to our investing activities
Risks and opportunities related to our insurance underwriting activities
Risks and opportunities related to our own operations

Reporting line
Other, please specify (Operations - COO reporting line and functional link to the CEO as a Chair of the Board)

Frequency of reporting to the board on climate-related issues via this reporting line
More frequently than quarterly

Please explain

Position or committee
Other, please specify (Risk Management Commission)

Climate-related responsibilities of this position
Assessing climate-related risks and opportunities
Managing climate-related risks and opportunities

Coverage of responsibilities
Risks and opportunities related to our banking
Risks and opportunities related to our investing activities
Risks and opportunities related to our insurance underwriting activities
Risks and opportunities related to our own operations

Reporting line
Reports to the board directly

Frequency of reporting to the board on climate-related issues via this reporting line
Quarterly

Please explain

Position or committee
Other committee, please specify (Corporate Governance and Responsible Finance Commission)

Climate-related responsibilities of this position
Other, please specify (Oversights climate change and ESG strategy)

Coverage of responsibilities
<Not Applicable>

Reporting line
Reports to the board directly

Frequency of reporting to the board on climate-related issues via this reporting line
More frequently than quarterly

Please explain

Position or committee

Other committee, please specify (Desjardins Executive Management Committee (DEMC))

Climate-related responsibilities of this position
Managing annual budgets for climate mitigation activities
Providing climate-related employee incentives
Developing a climate transition plan
Implementing a climate transition plan
Integrating climate-related issues into the strategy
Setting climate-related corporate targets
Monitoring progress against climate-related corporate targets
Assessing climate-related risks and opportunities
Managing climate-related risks and opportunities

Coverage of responsibilities
Risks and opportunities related to our banking
Risks and opportunities related to our investing activities
Risks and opportunities related to our insurance underwriting activities
Risks and opportunities related to our own operations

Reporting line
Reports to the board directly

Frequency of reporting to the board on climate-related issues via this reporting line
Quarterly

Please explain

Position or committee
Other committee, please specify (ESG Steering committee)

Climate-related responsibilities of this position
Developing a climate transition plan
Implementing a climate transition plan
Integrating climate-related issues into the strategy
Setting climate-related corporate targets
Monitoring progress against climate-related corporate targets
Managing public policy engagement that may impact the climate
Assessing climate-related risks and opportunities
Managing climate-related risks and opportunities

Coverage of responsibilities
Risks and opportunities related to our banking
Risks and opportunities related to our investing activities
Risks and opportunities related to our insurance underwriting activities
Risks and opportunities related to our own operations

Reporting line
Other, please specify (Desjardins Executive Management Committee (DEMC))

Frequency of reporting to the board on climate-related issues via this reporting line
Not reported to the board

Please explain

Position or committee
Other committee, please specify (Finance and Risk Management Committee)

Climate-related responsibilities of this position
Assessing climate-related risks and opportunities
Managing climate-related risks and opportunities

Coverage of responsibilities
Risks and opportunities related to our banking
Risks and opportunities related to our investing activities
Risks and opportunities related to our insurance underwriting activities
Risks and opportunities related to our own operations

Reporting line
Other, please specify (Desjardins Executive Management Committee (DEMC))

Frequency of reporting to the board on climate-related issues via this reporting line
Not reported to the board

Please explain

Position or committee
Other committee, please specify (Climate Change Risk Committee)

Climate-related responsibilities of this position
Monitoring progress against climate-related corporate targets
Assessing climate-related risks and opportunities
Managing climate-related risks and opportunities

Coverage of responsibilities
Risks and opportunities related to our banking
Risks and opportunities related to our investing activities

Risks and opportunities related to our insurance underwriting activities
Risks and opportunities related to our own operations

Reporting line
Other, please specify (Finance and Risk Management Committee)

Frequency of reporting to the board on climate-related issues via this reporting line
Not reported to the board

Please explain

Position or committee
Other, please specify (Desjardins Group Monitoring Office)

Climate-related responsibilities of this position
Other, please specify (Internal audit on climate-related topics)

Coverage of responsibilities
<Not Applicable>

Reporting line
Operations - COO reporting line

Frequency of reporting to the board on climate-related issues via this reporting line
As important matters arise

Please explain
In keeping with our integrated risk management framework, our third line of defence is the Desjardins Group Monitoring Office. In 2019, this office conducted an internal audit on the implementation of our sustainable development policy, which resulted in several recommendations focusing on climate change. In 2022 the office performed an internal audit on the integration of ESG factors, including climate-related ones, into our business model and operations.

C1.3

(C1.3) Do you provide incentives for the management of climate-related issues, including the attainment of targets?

	Provide incentives for the management of climate-related issues	Comment
Row 1	Yes	The CEO and the COO, as requested by the Board, have specific annual objectives in connection with their annual performance evaluation relating to the integration of ESG factors and climate change. Executive and management positions of our Wealth Management and Life and Health Insurance division, Property and Casualty Inssurance division, Desjardins Financial Corporation, Risk Management division, and the Secretary General / Governance and Sustainable Development division have results-based objectives related to sustainability (e.g., responsible investment programs) and climate change issues (e.g., climate change-related strategy such as GHG reduction). Results from key performance indicators linked to these objectives are considered in determining annual bonuses. In 2022, the general incentive plan for all employees has been updated to include an indicator linked to our ESG performance as evaluated by four extra-financial rating agencies.

C1.3a

(C1.3a) Provide further details on the incentives provided for the management of climate-related issues (do not include the names of individuals).

Entitled to incentive
All employees

Type of incentive
Monetary reward

Incentive(s)
Bonus - % of salary

Performance indicator(s)
Company performance against a climate-related sustainability index (e.g., DJSI, CDP Climate Change score etc.)

Incentive plan(s) this incentive is linked to
Short-Term Incentive Plan

Further details of incentive(s)
In 2022, the general incentive plan for all employees has been updated to include an indicator linked to our ESG performance as evaluated by four major extra-financial rating agencies.

Explain how this incentive contributes to the implementation of your organization’s climate commitments and/or climate transition plan
Extra-financial rating agencies are assessing our group ESG performance, including climate-related governance, risk management, strategy and the indicators demonstrating how our climate commitments are implemented. The ratings (and how they compare to our benchmark peers) are then used in the general incentive plan calculations.

Entitled to incentive
All employees

Type of incentive
Non-monetary reward

Incentive(s)
Other, please specify (Alternative transportation program incentives)

Performance indicator(s)
Implementation of an emissions reduction initiative
Implementation of employee awareness campaign or training program on climate-related issues

Incentive plan(s) this incentive is linked to
Not part of an existing incentive plan

Further details of incentive(s)
All Desjardins employees benefit from the proper management of climate-related issues by paid benefits such as an alternative transportation program which is designed to encourage employees to use active transportation and public transit to get to work. For example, they benefit from free shuttle service between our two main head offices, Lévis and Montréal (230 km), rebates on public transport, paid car-sharing services, charging stations for electric cars at work sites, financial incentives for carpooling, walking, biking to work.

Explain how this incentive contributes to the implementation of your organization's climate commitments and/or climate transition plan
These incentives are helping to raise awareness among employees on how to better reduce the environmental impact of their commuting and business travel, which leads to decreased scope 3 GHG emissions.

Entitled to incentive
Environment/Sustainability manager

Type of incentive
Monetary reward

Incentive(s)
Bonus - % of salary

Performance indicator(s)
Achievement of climate transition plan KPI
Progress towards a climate-related target
Achievement of a climate-related target
Implementation of an emissions reduction initiative
Reduction in absolute emissions

Incentive plan(s) this incentive is linked to
Short-Term Incentive Plan

Further details of incentive(s)
Some Sustainability team members, including the manager, have results-based objectives relating to emission reduction as part of their performance evaluation. Employees that deliver consistent performance are eligible for the Desjardins Group annual bonus, which is influenced by ESG factors, as mentioned in the answer above.

Explain how this incentive contributes to the implementation of your organization's climate commitments and/or climate transition plan
This incentive is directly linked to the achievement of our climate commitments and strategy, through the reduction of our GHG emissions.

Entitled to incentive
Executive officer

Type of incentive
Monetary reward

Incentive(s)
Bonus - % of salary

Performance indicator(s)
Progress towards a climate-related target
Achievement of a climate-related target
Implementation of an emissions reduction initiative
Reduction in absolute emissions
Increased engagement with clients on climate-related issues
Increased engagement with investee companies on climate-related issues
Company performance against a climate-related sustainability index (e.g., DJSI, CDP Climate Change score etc.)
Implementation of employee awareness campaign or training program on climate-related issues
Increased alignment of portfolio/fund to climate-related objectives

Incentive plan(s) this incentive is linked to
Short-Term Incentive Plan

Further details of incentive(s)
Several officers, SVPs and VPs of our Wealth Management and Life and Health Insurance Division, Property and Casualty Insurance division, Desjardins Financial Corporation, as well as the Secretary General and Governance and Sustainable Development division have results-based objectives related to sustainability and climate change issues, including responsible investment programs and climate change-related strategy implementations(i.e., GHG reduction, renewable energy investments and lending, etc.). Results from those key performance indicators are considered in determining annual bonuses.

Explain how this incentive contributes to the implementation of your organization's climate commitments and/or climate transition plan
These indicators are directly aligned with the 2025 short term objective of our 2040 net-zero strategy.

Entitled to incentive
Portfolio/Fund manager

Type of incentive
Monetary reward

Incentive(s)
Bonus - % of salary

Performance indicator(s)
Progress towards a climate-related target
Achievement of a climate-related target
Reduction in absolute emissions
Increased engagement with investee companies on climate-related issues
Increased alignment of portfolio/fund to climate-related objectives

Incentive plan(s) this incentive is linked to
Short-Term Incentive Plan

Further details of incentive(s)
Desjardins Global Asset Management's asset managers have a duty to execute on the decarbonization objectives for Desjardins's equity investments, while maintaining adequate risk-return ratios. This additional constraint is a requirement that they have to comply with and which in turns impact their performance assessment based on the returns of their managed portfolio. Investment teams are also conducting shareholder engagement activities on ESG topics, including on climate change strategy and performance with our investees. Achieving targets (portfolio decarbonization and engagement) is impacting the annual assessment of the employees and the related bonuses.

Explain how this incentive contributes to the implementation of your organization's climate commitments and/or climate transition plan
This incentive is linked to the achievement of our portfolio decarbonization targets, which are part of our net zero climate strategy and NZAMI commitments.

Entitled to incentive
Facilities manager

Type of incentive
Monetary reward

Incentive(s)
Bonus - % of salary

Performance indicator(s)
Progress towards a climate-related target
Achievement of a climate-related target
Implementation of an emissions reduction initiative
Reduction in absolute emissions
Energy efficiency improvement
Reduction in total energy consumption

Incentive plan(s) this incentive is linked to
Short-Term Incentive Plan

Further details of incentive(s)
The real estate department and associated managers are responsible for meeting energy targets and achieving GHG reduction.
Managers have financial incentives for employees with sustainability-related objectives (50% incentive plan linked to results).

Explain how this incentive contributes to the implementation of your organization's climate commitments and/or climate transition plan
This incentive is directly linked to the reduction of operational GHG emissions from our buildings, which is part of our net zero strategy.

Entitled to incentive
Other, please specify (Real estate employees)

Type of incentive
Please select

Incentive(s)
<Not Applicable>

Performance indicator(s)
Implementation of an emissions reduction initiative
Reduction in absolute emissions
Energy efficiency improvement
Reduction in total energy consumption

Incentive plan(s) this incentive is linked to
Not part of an existing incentive plan

Further details of incentive(s)
Employees are not directly compensated based on the achievement of targets for reducing energy consumption or greenhouse gases. Performance is, however, evaluated by the establishment of means to achieve these targets (implementation of strategic and deployment plans, case studies, feasibility studies, implementation of pilot projects, deployment of operational solutions)

Explain how this incentive contributes to the implementation of your organization's climate commitments and/or climate transition plan
This incentive is directly linked to the reduction of operational GHG emissions from our buildings, which is part of our net zero strategy.

C-FS1.4

(C-FS1.4) Does your organization offer its employees an employment-based retirement scheme that incorporates ESG criteria, including climate change?

	Employment-based retirement scheme that incorporates ESG criteria, including climate change	Describe how funds within the retirement scheme are selected and how your organization ensures that ESG criteria are incorporated	Provide reasons for not incorporating ESG criteria into your organization's employment-based retirement scheme and your plans for the future
Row 1	Yes, as the default investment option for all plans offered	Our defined-benefit employee-based retirement scheme is the Desjardins Group Pension Plan (DGPP). DGPP is a UN PRI signatory since January 2018 and is committed to a strong integration of ESG principles. As a signatory of PRI, the DGPP benefits from Desjardins's responsible investment expertise and contributes to it. The DGPP therefore adopted the same approach used by Desjardins Group by excluding investments associated with tobacco, thermal coal and weapons of mass destruction, reducing the carbon footprint of its portfolio and allocating an important portion of its portfolio to renewable energy infrastructures. At the end of the year 2022, the renewable energy sector accounts for a 1.41 billion CA$ versus 0,43 billion CA$ in fossil energy. 100% of the DGPP's direct energy infrastructure investments are in the renewable energy sector. Pursuing the goal of reducing our carbon footprint, the publicly traded securities in DGPP's portfolios had a weighted average carbon intensity 24% lower than the benchmark of companies listed on the stock and bond indexes as at December 31, 2022 (target: 20%). In 2023, DGPP will strengthen its climate change goals and expectations by working closely with Desjardins Group teams to develop new and even more ambitious targets based on PCAF's absolute emission target methodology. DGPP continually seeks to improve ESG integration of its investment processes mostly through the careful selection and engagement of the asset managers hired. DGPP has also put in place a team of high-level professional exclusively dedicated to responsible investment and has hired an external provider to ensure that DGPP's voting rights policy is strictly enforced (e.g., sound governance rules, human rights, labour law, sustainability and climate change, community support and financial ethics).	<Not Applicable>

C2. Risks and opportunities

C2.1

(C2.1) Does your organization have a process for identifying, assessing, and responding to climate-related risks and opportunities?

Yes

C2.1a

(C2.1a) How does your organization define short-, medium- and long-term time horizons?

	From (years)	To (years)	Comment
Short-term	0	1	
Medium-term	1	5	
Long-term	5	20	

C2.1b

(C2.1b) How does your organization define substantive financial or strategic impact on your business?

As a significant component of Desjardins Group's Integrated Risk Management Framework, a risk appetite analysis enables the identification of the risk type and the level that Desjardins is prepared to assume in pursuing its business and strategic objectives. Risk appetite forms an integral part of strategic planning, which makes it possible to guide risk-taking in order to ensure Desjardins Group's stability and sustainability in the case of unfavourable future events that could affect the reputation, volatility of profitability, capital adequacy or liquidity. As a result, risk appetite analysis provides a basis for integrated risk management by promoting a better understanding of the impact of principal risks and emerging risk factors on Desjardins Group's strategic impact, performance and results.

Desjardins Group considers it important to periodically assess the environment in which it operates and to identify key risks, as well as the principal aforesaid risk factors and emerging risk factors to which it is exposed. Desjardins Group has a risk register that sets out the main categories and subcategories of risks which could affect Desjardins Group. The register is periodically updated and is used as a basis to make a quantitative and qualitative assessment of risk materiality, to determine Desjardins Group's risk profile and to implement appropriate strategies to mitigate risk.

C2.2

(C2.2) Describe your process(es) for identifying, assessing and responding to climate-related risks and opportunities.

Value chain stage(s) covered
Direct operations
Upstream

Risk management process
Integrated into multi-disciplinary company-wide risk management process

Frequency of assessment
Annually

Time horizon(s) covered
Short-term
Medium-term

Description of process
Climate-related risks and opportunities are identified, assessed and managed as part of a multidisciplinary company-wide integrated risk management process. This process includes both transition and physical risks and opportunities. Experts from all business lines and operations are involved in the risk analysis. The business experts are supported by the risks experts during the entire process. The business experts are responsible for identifying climate-related risk specific to their field of expertise, either at the business sector level or on a company-wide basis. They are also required to identify the risk level (low, moderate, high or very high) associated with each identified risk. Action plans are required to address each risk, as well as the associated timeline and the person accountable for its mitigation plan.
Annually, the Sustainability and Responsible Finance Department is responsible for following up on the implementation of the action plans that are under the responsibility of each business sectors, in collaboration with the Risk Management Department. As far as identifying opportunities related to climate changes, the process is the same. Results and recommendations are presented to Desjardins Group Finance and Risk Management Committee (DGFRMC), which reports to the Desjardins Executive Management Committee (DEMC) and the Risks Management Commission.

Value chain stage(s) covered
Direct operations
Upstream

Risk management process
A specific climate-related risk management process

Frequency of assessment
Annually

Time horizon(s) covered
Short-term
Medium-term
Long-term

Description of process
In 2022, risk and modelling teams from Desjardins General Insurance Group (DGIG) developed and optimized a dashboard for monitoring catastrophe-related risks and market concentration in at-risk areas. This dashboard maps and evaluates the concentration of flood risk in DGIG's personal property insurance portfolio. Other risk factors are being integrated in 2023, including severe convective storms, winter storms and hurricanes. Ultimately, this tool could incorporate a wide range of climate change scenarios, which would help us evaluate their impacts on natural disaster-related insurance risk. The analytical capabilities offered by this tool will enable DGIG to better manage risk exposure, assess its risk appetite, diversify its portfolio geographically and make it more resilient to climate-related risks. This tool is also aligned with our objectives of integrating ESG criteria into business decision-making.

Also in 2022, Desjardins Financial Security (DFS) actuarial and modelling teams conducted qualitative and quantitative analyses on the impacts of climate-induced air quality degradation on Canada's most at-risk populations, as well as its short- and long-term effects. Their quantitative analysis modelled wildfire, ozone and fine particulate matter (PM 2.5) impacts under an RCP 8.5 scenario ("business as usual"). DFS also assessed the proportion of group insurance members with pre-existing health conditions that make them more vulnerable to air quality degradation. The results of this analysis indicate that, despite the real impact on the most vulnerable populations, the financial materiality of this risk remains low for DFS. DFS teams will
continue to monitor the materiality of the impacts on the organization's capital and on the quality and standard of living of our clients and insureds, and will continue to examine potential solutions and support options.

In 2021, Desjardins General Insurance Group (DGIG) completed a series of quantitative long-term risk management analyses to evaluate the impact of key climate change hazards on its portfolio, beginning with flooding and forest fires and proceeding with a windstorms analysis and mapping. These analyses were performed following the latest methodologies and climate scenario models available. The risk was geolocated and quantified for flooding and forest fires in a timeframe from 2030 to 2050, while the windstorm analysis focused on developing an historical map of wind speed trends. The coverage, granularity and precision of these analyses will be expanded with improved tools in the coming years.

Since 2019, several risk and sustainability team members have annually participated in the UNEP-FI TCFD program, which included in 2021 a module on climate risk tools, aiming to assess various climate risk analytics providers' approaches to physical and transition risk evaluation. Our teams conducted this pilot study with The Climate Service. The objective of these collaborations is for our teams to become more familiar with evaluation approaches on a short list of assets (50 assets, including for instance listed companies and their industrial sites, direct investment in energy infrastructure and real estate, mortgages, and some of our own sites of operations) to later conduct larger scale analyses.

C2.2a

(C2.2a) Which risk types are considered in your organization's climate-related risk assessments?

	Relevance & inclusion	Please explain
Current regulation	Relevant, always included	Desjardins has identified current regulation, especially those relating to climate changes and environmental protection. Québec's cap and trade requirements or the Canadian federal carbon tax could affect the profitability of some of our clients (in particular those for which carbon costs are high), and therefore their ability to pay back their loans, leading to financial losses for Desjardins.
Emerging regulation	Relevant, always included	Emerging regulation-related risks are relevant because they can affect our financial operations, our clients and members, our own buildings and their operations and our employees. In 2020, the Government of Quebec released the 2030 Plan for a Green Economy which announced multiple measures to decarbonize the province, including a ban on the sale of new gasoline-powered vehicles as of 2035. Desjardins analyzes its operations and financial decisions to adapt to the measures announced. In the same way, in 2020, the Federal Government of Canada announced that the carbon tax will increase from its current price of $30 per tonne of GHG emissions to $170 by 2030. Among multiple impacts, this higher price could affect our clients' solvency and ultimately lead to financial losses for Desjardins. Emerging regulations related to climate-related disclosure are also considered as a potential risk. Potential new legal disclosure requirements could also lead to increased operating costs due to the implementation of a structure that complies with the TCFD recommendations or other climate-risk disclosure and regulatory requirements. This risk of additional regulatory frameworks increased in 2021 and 2022: - in Canada, with a number of consultations from regulatory authorities on climate risk management and disclosure, including the publication of the draft Guideline B-15: Climate Risk Management in May 26, 2022, by the Office of the Superintendent of Financial Institutions, and a planned consultation for 2023 for a similar guideline by the Quebec Financial markets authority, and - internationally with the publication of the ISSB S1 and S2 prototypes on general sustainability and climate-related disclosure requirements.
Technology	Relevant, always included	From a risk perspective, emerging technology has the potential to disrupt traditional business models and lead to increased credit and investment risk. At the same time, financing or investing in those companies with emerging technologies designed to address climate-related issues (e.g., technologies related to the development of electric vehicles or batteries, waste to energy and carbon capture, utilization and storage) could represent interesting business opportunities.
Legal	Relevant, always included	Climate-related litigation cases are more and more observed in Canada, with an increased number of cases since 2018. Most cases are until now opposing civil society organizations to various levels of government (i.e., provincial, federal). One locally relevant example is the November 2018 class action application from ENvironnement JEUnesse (ENJEU), where this environmental nonprofit in Quebec brought a lawsuit against the Government of Canada on behalf of Quebec citizens aged 35 and under. Another local example is the inquiry opened in October 2022 by the Competition Bureau of Canada into Royal Bank of Canada's environmental representations and marketing following a complaint last summer that the bank's claims to be a climate leader were misleading because of its continued financing of fossil fuel projects. While still in their infancy, climate-related litigation could also impact Desjardins's clients in carbon-intensive sectors, as attested by similar cases in European jurisdictions. This could then translate into credit and default risks for those clients, and by consequence, for Desjardins as well. More details on the regulatory context are included in the current regulation section.
Market	Relevant, always included	Desjardins monitors market development for shifts in supply and demand for green and responsible products and services, both for those shifts that impact our clients and those that impact our own products. We adapt our offerings and review our products to best match these shifts (See question 4.5a). Desjardins also publishes reports on how the transition might impact the overal economy (e.g., report on the Greenflation <https://www.desjardins.com/content/dam/pdf/en/personal/savings-investment/economic-studies/greenflation.pdf>).
Reputation	Relevant, always included	As one of the most important financial services cooperative in the world, and as a major financial institution in Canada, preserving our corporate reputation is extremely important. Financial institutions are increasingly expected to play a role in promoting climate change mitigation and adaptation through financial products and services. An inadequate consideration of climate change in the business strategy could lead to major reputational damages due to practices and policies that aren't in line with our stakeholder expectations or with our existing ambitious climate-related commitments.
Acute physical	Relevant, always included	Acute physical risks are relevant for two reasons. Firstly, they can affect our assets value (e.g., decrease the value of our own assets and infrastructure investments), affect our own buildings and operating costs (e.g., increased operational costs) and our employees (e.g., emergency plans). Secondly, as an insurance provider, Desjardins faces indirect risks arising from extreme weather events as it affects the severity and frequency of claims.
Chronic physical	Relevant, always included	Desjardins is assessing and considering the potential impact of incremental shifts in climate conditions (such as rising temperatures and changes in precipitation patterns) on its various business lines. These impacts of climate trends and events on business operations and member/client assets are important and can potentially increase credit losses in vulnerable economic sectors. For example, global warming can have an influence on the overall economic performance of regional crops in agriculture (e.g., maple syrup) or on certain regional activities (ski resort, etc.). In addition, they also have an impact on the health of our members and clients which not only impacts our values as a cooperative but also our business as a life and health insurer.

C-FS2.2b

(C-FS2.2b) Do you assess your portfolio's exposure to climate-related risks and opportunities?

	We assess the portfolio's exposure	Explain why your portfolio's exposure is not assessed and your plans to address this in the future
Banking (Bank)	Yes	<Not Applicable>
Investing (Asset manager)	Yes	<Not Applicable>
Investing (Asset owner)	Yes	<Not Applicable>
Insurance underwriting (Insurance company)	Yes	<Not Applicable>

C-FS2.2c

(C-FS2.2c) Describe how you assess your portfolio's exposure to climate-related risks and opportunities.

	Type of risk management process	Proportion of portfolio covered by risk management process	Type of assessment	Time horizon(s) covered	Tools and methods used	Provide the rationale for implementing this process to assess your portfolio's exposure to climate-related risks and opportunities
Banking (Bank)	Integrated into multi-disciplinary company-wide risk management process	100	Qualitative and quantitative	Short-term Medium-term Long-term	UNEP FI Portfolio Impact Analysis Tool for Banks Internal tools/methods	Desjardins's bank lending portfolio is evaluated as part of Desjardins multidisciplinary company-wide analysis to assess portfolio exposure related to each physical and transitional climate change risk identified. We also monitor our exposure to carbon-intensive sectors, as explained in module 14 and are starting to monitor our carbon footprint (PCAF methodology - see module 14). We used in 2020, 2021 and 2022 the Portfolio Impact Analysis Tool to assess our loan portfolio, as described in our PRB report. The tool looks at national and international data to identify the potential positive and negative impacts of different sectors based on the International Standard Industrial Classification.
Investing (Asset manager)	Integrated into multi-disciplinary company-wide risk management process	100	Qualitative only	Short-term Medium-term Long-term	Internal tools/methods	Desjardins's investing (asset manager) portfolio is evaluated as part of Desjardins multidisciplinary company-wide analysis to assess portfolio exposure related to each physical and transitional climate change risk identified.
Investing (Asset owner)	Integrated into multi-disciplinary company-wide risk management process	100	Qualitative and quantitative	Short-term Medium-term Long-term	Portfolio temperature alignment Internal tools/methods Other, please specify (MSCI Climate Value at Risk tool)	Desjardins's investing (asset owner) portfolio is evaluated as part of Desjardins multidisciplinary company-wide analysis to assess portfolio exposure related to each physical and transitional climate change risk identified. Through our decarbonization target, we also monitor the carbon intensity of the listed equities and corporate bonds of our investments. This work is currently being improved by our carbon footprinting analysis (PCAF methodology - see module 14). In 2021, leveraging the MSCI Climate Value at Risk tool (CVaR), Desjardins Global Asset Management (DGAM) began analyzing multiple physical and transition scenarios to calculate the projected net present value of our listed equity and debt portfolio. Results from this quantitative analysis are found in section C-2.3a. As part of our continuous improvement and in line with our commitment to Business Ambition 1.5, DGAM began to measure the portfolio temperature alignment of its portfolio using both the SBTi methodology (temperature rating) and the MSCI methodology (Implied Temperature Rise). In 2021, DGAM partnered with CIRANO, a Montreal-based research centre, to assess the impact of adopting science-based carbon reduction targets (as recommended by SBTi) on portfolio risk/return characteristics. The purpose was to determine whether emission reduction targets could be achieved without affecting the financial performance of equity (common or preferred) and corporate bond portfolios. The study simulated portfolio progress towards the goal of net zero emissions by 2040/2050 based on parameters related to issuer commitments to climate change and the likelihood of meeting reduction targets.
Insurance underwriting (Insurance company)	Integrated into multi-disciplinary company-wide risk management process	100	Qualitative and quantitative	Short-term Medium-term Long-term	Risk models Scenario analysis Internal tools/methods	Desjardins's insurance portfolio is evaluated as part of Desjardins new multidisciplinary company-wide analysis to assess portfolio exposure related to each physical and transitional climate change risk identified. In addition, quantitative and geolocated analysis is now being performed to better understand the financial impact of climate change hazards with a timeframe from 2030 to 2050 for selected hazards.

C-FS2.2d

(C-FS2.2d) Does your organization consider climate-related information about your clients/investees as part of your due diligence and/or risk assessment process?

	We consider climate-related information	Explain why you do not consider climate-related information and your plans to address this in the future
Banking (Bank)	Yes	<Not Applicable>
Investing (Asset manager)	Yes	<Not Applicable>
Investing (Asset owner)	Yes	<Not Applicable>
Insurance underwriting (Insurance company)	Yes	<Not Applicable>

C-FS2.2e

(C-FS2.2e) Indicate the climate-related information your organization considers about clients/investees as part of your due diligence and/or risk assessment process, and how this influences decision-making.

Portfolio
Investing (Asset owner)

Type of climate-related information considered
Emissions data
Emissions reduction targets
Climate transition plans
TCFD disclosures

Process through which information is obtained
Directly from the client/investee
Data provider
Public data sources

Industry sector(s) covered by due diligence and/or risk assessment process
Energy
Materials

Capital Goods
Commercial & Professional Services
Transportation
Automobiles & Components
Consumer Durables & Apparel
Consumer Services
Retailing
Food & Staples Retailing
Food, Beverage & Tobacco
Household & Personal Products
Health Care Equipment & Services
Pharmaceuticals, Biotechnology & Life Sciences
Software & Services
Technology Hardware & Equipment
Semiconductors & Semiconductor Equipment
Telecommunication Services
Media & Entertainment
Utilities
Real Estate

State how this climate-related information influences your decision-making

The Responsible Investment team of DGAM performs the due diligence/risk assessment process of the investees in the portfolio of owned assets. ESG and exclusion criteria is applied as part of this due diligence. Currently, tobacco, vaping, non-conventional weapons and thermal coal industries are excluded across all business sectors. DGAM also evaluates companies in carbon-intensive sectors to make sure that climate transition plans are in place. In 2021 and 2022, as part of our commitment to the science-based targets (SBTi) and the Partnership for Carbon Accounting Financials (PCAF), a detailed analysis per investee was developed. This analysis considered the following information: Latest Scope 1+2 emissions reduction targets and portfolio temperature alignment. This information is supporting the setting of science-based targets and the approaches to achieve these targets. Due diligence and risk assessment processes will be updated.

Portfolio

Banking (Bank)

Type of climate-related information considered

Emissions data
Emissions reduction targets
Climate transition plans
TCFD disclosures

Process through which information is obtained

Directly from the client/investee
Public data sources

Industry sector(s) covered by due diligence and/or risk assessment process

Energy
Materials
Capital Goods
Commercial & Professional Services
Transportation
Automobiles & Components
Consumer Durables & Apparel
Consumer Services
Retailing
Food & Staples Retailing
Food, Beverage & Tobacco
Household & Personal Products
Health Care Equipment & Services
Pharmaceuticals, Biotechnology & Life Sciences
Software & Services
Technology Hardware & Equipment
Semiconductors & Semiconductor Equipment
Telecommunication Services
Media & Entertainment
Utilities
Real Estate

State how this climate-related information influences your decision-making

The account managers in our lending team manage the relationship with existing and potential business clients. When conducting the due diligence process prior to releasing a loan, corporate banking clients classified as large and medium enterprises receive a request for information which -in addition to financial data- includes an ESG form. This ESG form includes questions related to ESG performance such as GHG emissions and reduction targets. To improve this analysis, account managers conduct desktop and documents research on the client, including a review of TCFD disclosures and transition plans, when available. The assessment is updated as needed throughout the duration of the relationship, usually on a yearly basis. In addition, for high-emitting sectors, our lending team has a mandate to promote and support businesses in these sectors that:

- Demonstrate a solid ESG performance
- Factor in climate risks
- Set credible targets for reducing greenhouse gas emissions

In 2022, financed emissions were estimated internally for our corporate lending portfolio using proxy data. These estimates are still being improved with an objective to publish them externally in the near future. Selected portions of the portfolio were furthered analyzed using actual scope 1, 2 and 3 emissions and reduction targets disclosed by clients in CDP and external reports to measure portfolio alignment with a 1.5°C degree scenario.

C2.3

(C2.3) Have you identified any inherent climate-related risks with the potential to have a substantive financial or strategic impact on your business?
Yes

C2.3a

(C2.3a) Provide details of risks identified with the potential to have a substantive financial or strategic impact on your business.

Identifier
Risk 1

Where in the value chain does the risk driver occur?
Banking portfolio

Risk type & Primary climate-related risk driver

Emerging regulation	Carbon pricing mechanisms

Primary potential financial impact
Increased credit risk

Climate risk type mapped to traditional financial services industry risk classification
Credit risk

Company-specific description
The implementation of a higher carbon price (through stricter carbon tax requirements or a lower GHG emission cap in carbon markets) could affect our clients' profitability and solvency (in relation with increased energy costs) and ultimately lead to financial losses for Desjardins. In 2022, we conducted a climate change risk vulnerability analysis of our lending and own investment portfolio. Our lending portfolio as of December 31, 2022, has a total exposure at default of $402 billion CAD. The following sectors in our loan book (including % of total exposure at default) are considered vulnerable to this risk type: mining, oil and gas (0.3%), manufacturing (1.8%) and utilities (0.5%). This results into a total of $10.2 billion CAD exposed to this risk in our lending portfolio.

Time horizon
Long-term

Likelihood
Very likely

Magnitude of impact
Medium-low

Are you able to provide a potential financial impact figure?
Yes, an estimated range

Potential financial impact figure (currency)
<Not Applicable>

Potential financial impact figure – minimum (currency)
11000000

Potential financial impact figure – maximum (currency)
207000000

Explanation of financial impact figure
The potential financial impact provided is the calculated annual maximum probable loss from additional defaulting loans from the sectors at risk by 2030. The loss represents the change in probability of default due to the transition to a net zero 2050 (1.5 C) scenario by 2030, additional to the existing probability of default. The change in probability of default is taken from Bank of Canada and Office of the superintendent of financial institutions (2022) "Using Scenario Analysis to Assess Climate Transition Risk" report and is applied to the average probability of default from Desjardins in 2021.

Increases in carbon pricing may have an adverse impact on profitability for our Canadian and international members and clients in carbon-intensive industries. Consequently, our members' ability to repay loans may be impacted. In the same way, the collateral of our investments in carbon intensive industries may also be negatively impacted.

Impacts of stricter regulations (carbon tax or cap) could affect clients, investment values, building values, energy costs and procurement costs. In December 2020, the Government of Canada announced a gradual hike in the federal carbon tax to $170 a tonne by 2030. The carbon pricing at the federal level applies to any province or territory that does not have an equivalent system in place, such as the cap-and-trade system already in place in Quebec. Also in 2020, the Government of Quebec reinforced the importance of the cap-and-trade system in the province.

Cost of response to risk
4000000

Description of response and explanation of cost calculation
Desjardins has implemented several initiatives and practices to mitigate risks related to carbon pricing and other transition risk factors:
- Investment sector: In 2022, the carbon footprint of our investments in publicly traded securities was 40% lower than the average of the companies that make up the stock and bond market indexes. Our target was to be 25% lower, which we also surpassed since 2020 at 32% and we were glad to meet and surpass our targets through portfolio asset allocation (taking stock carbon intensity into account), shareholder engagement (including the exercise of shareholder voting rights), engaging in dialogue to improve companies' RI practices (alone, in partnerships or as a coalition) and shareholder proposals (if necessary) to stimulate change.
- Corporate banking: ESG analysis conducted for large companies prior to financing.
- Real estate (owned buildings and offices): Desjardins Real Estate team is dedicated to improving energy efficiency and lowering Desjardin's carbon footprint. The real estate energy efficiency team has developed a strategy to reduce energy consumption and increase energy efficiency. The development of this strategy includes a cost analysis and estimate that is currently being reviewed by Desjardins's leadership.
- Procurement: prices are negotiated for a predetermined period and integrated into contracts
Initial estimates have been developed for our real estate and is being validated. Cost analysis for other our upstream (Procurement) and downstream (Financing and

Investing) are underway.

It is difficult to provide an estimated cost for all these activities, as the work is done across the organization and not only on this portfolio. This cost estimate was calculated by taking into account the current full-time equivalent employees and partnerships dedicated to these tasks across the organization. It includes high-level and general assumptions.

Comment
The potential financial impact and the costs of management have been partly developed and progress is ongoing. From a risk perspective, risk estimates and the related analysis should be subject to an effective review and validation by a team/department that has not been involved in the fieldwork.

Identifier
Risk 2

Where in the value chain does the risk driver occur?
Investing (Asset owner) portfolio

Risk type & Primary climate-related risk driver

Emerging regulation	Carbon pricing mechanisms

Primary potential financial impact
Decreased asset value or asset useful life leading to write-offs, asset impairment or early retirement of existing assets

Climate risk type mapped to traditional financial services industry risk classification
Market risk

Company-specific description
The implementation of a higher carbon price (through stricter carbon tax requirements or a lower GHG emission cap in carbon markets) could affect our clients' and investees' profitability and solvency (in relation with increased energy costs) and ultimately lead to financial losses for Desjardins. In 2021, we conducted a climate change risk vulnerability analysis of our lending and own investment portfolio. As of December 31, 2022, our assets under management of our own funds in our investment portfolio were $35 billion CAD. Based on our climate change risk vulnerability analysis, the following sectors (including % of our total assets under management of our own funds) are considered vulnerable to this risk type: energy (3.9%), utilities (3.9%), industrials (2.9%) and materials (0.5%). This results into an approximate total of $3.9 billion CAD exposed to this risk type. Sovereign bonds (41.5%) are also a significant portion of our portfolio and analysis will be performed in the near future to understand their exposure to this risk.

Time horizon
Long-term

Likelihood
More likely than not

Magnitude of impact
Medium-high

Are you able to provide a potential financial impact figure?
Yes, an estimated range

Potential financial impact figure (currency)
<Not Applicable>

Potential financial impact figure – minimum (currency)
889000000

Potential financial impact figure – maximum (currency)
5406000000

Explanation of financial impact figure
The range presented in the potential financial impact cells constitutes a minimum and a maximum difference in the net present value of our assets as a result of the aggregated future policy risk costs, including carbon pricing and technology opportunity profits should the scenario in question be realized. The analysis was completed through the Climate Value-at-Risk (CVAR) tool from MSCI ESG Research on the listed equity and debt assets of our portfolio. The minimum impact utilizes a REMIND| 1.5°C|NGFS|ORDERLY scenario and the maximum impact uses a REMIND| 1.5°C|NGFS|DISORDERLY scenario.
MSCI ESG Research employs a hybrid top-down and bottom-up methodology to calculate climate change risks and opportunities such as future policies targeting emission reductions, the potential of low-carbon technologies and extreme weather hazards.

Increases in carbon pricing may have an adverse impact on profitability for our Canadian and international members and clients in carbon-intensive industries. Consequently, our members' ability to repay loans may be impacted. In the same way, the value of our investments in carbon-intensive industries may also be negatively impacted.

Impacts of stricter regulations (carbon tax or cap) could affect members and clients, investment values, building values, energy costs and procurement costs. In December 2020, the Government of Canada announced a gradual hike in the federal carbon tax to $170 a tonne by 2030. The carbon pricing at the federal level applies to any province or territory that does not have an equivalent system in place, such as the cap-and-trade system already in place in Quebec. Also in 2020, the Government of Quebec reinforced the importance of the cap-and-trade system in the province.

Cost of response to risk
4000000

Description of response and explanation of cost calculation
Desjardins has implemented several initiatives and practices to mitigate risks related to carbon pricing and other transition risk factors:
-Investment sector: In 2022, the carbon footprint of our investments in publicly traded securities was 40% lower than the average of the companies that make up the stock and bond market indexes. Our target was to be 25% lower, which we also surpassed since 2020 at 32% and we were glad to meet and surpass our targets through portfolio asset allocation (taking stock carbon intensity into account), shareholder engagement (including the exercise of shareholder voting rights), engaging in dialogue to improve companies' RI practices (alone, in partnerships or as a coalition) and shareholder proposals (if necessary) to stimulate change. (See: https://www.desjardins.com/ressources/pdf/rapport-activite-investissement-responsable-2021-e.pdf?navigMW=la&)
- Corporate banking: ESG analysis conducted for large companies prior to financing.
- Real estate (owned buildings and offices): Desjardins Real Estate team is dedicated to improving energy efficiency and lowering Desjardin's carbon footprint. The real

estate energy efficiency team has developed a strategy to reduce energy consumption and increase energy efficiency. The development of this strategy includes a cost analysis and estimate that is currently being reviewed by Desjardins's leadership.
- Procurement: prices are negotiated for a predetermined period and integrated into contracts
Initial estimates have been developed for our real estate and is being validated. Cost analysis for other our upstream (Procurement) and downstream (Financing and Investing) are underway.

It is difficult to provide an estimated cost for all these activities, as the work is done across the organization and not only on this portfolio. This cost estimate was calculated by taking into account the current full-time equivalent employees and partnerships dedicated to these tasks across the organization. It includes high-level and general assumptions.

Comment
The potential financial impact and the cost of management have been partly developed and progress is ongoing.
We are in the early stages of our analysis with this methodology and have limited coverage of our total portfolio. We used the CVAR tool from MSCI and we understand that all tools and approaches have advantages and limitations. We continue to evaluate risk quantification approaches to align with best industry practices.

Identifier
Risk 3

Where in the value chain does the risk driver occur?
Banking portfolio

Risk type & Primary climate-related risk driver

Acute physical	Flood (coastal, fluvial, pluvial, groundwater)

Primary potential financial impact
Devaluation of collateral and potential for stranded, illiquid assets

Climate risk type mapped to traditional financial services industry risk classification
Credit risk

Company-specific description
An increase of the severity and frequency of extreme weather events might impact member/client assets and businesses (operations and supply chain), including their homes and properties financed by Desjardins mortgages. Desjardins mortgages finance properties in Quebec and Ontario, Canada and as of December 31st, 2022, the total exposure at default of the mortgages portfolio was $139 billion. In 2021, we conducted a high-level analysis to project flooding risk in the short to medium term. Based on this analysis, 86% of the portfolio properties are in low to very low flooding risk areas, 10% in high-risk areas and 4% in a very high-risk flooding areas.

Time horizon
Medium-term

Likelihood
Likely

Magnitude of impact
Low

Are you able to provide a potential financial impact figure?
Yes, an estimated range

Potential financial impact figure (currency)
<Not Applicable>

Potential financial impact figure – minimum (currency)
200000

Potential financial impact figure – maximum (currency)
8500000

Explanation of financial impact figure
Desjardins is aware of the risk that a flood can have in the properties that its mortgages finance. A major flood will decrease the value of the collateral (i.e. the financed property), and will also increase the probability of default of the mortgage loan. The potential financial impact represents the annual losses expected from two scenarios: a likely scenario and a worst-case scenario. The worst-case scenario assumes a flood impacting 100% of one specific area that is the most at risk of a major flood event. This worst-case scenario is simulated and has not materialized. The analysis was conducted by mapping all mortgages collateral addresses along with flooding zones provided by flooding risk models. The annual financial impact is considered low in the short term (by 2025). Longer term projections are under development.

Cost of response to risk
30000

Description of response and explanation of cost calculation
Even though the medium term risk that this hazard has on our loan book is low, our mortgage, insurance and sustainability teams are working on the following tasks to better understand and respond to this risk:
◘ Improving long-term analysis of flooding risk on our mortgage portfolio.
◘ Improving our home insurance offering to further support members that are situated in areas at risk.
◘ Analyze the impact of government support in areas at risk (adaptation infrastructure and damage compensation).
The cost calculation represents the current annual cost to evaluate this risk based on the resources used. The cost will increase significantly as the evaluation and mitigation risk progresses and it will be updated in future reports.

Comment
The potential financial impact and the annual costs of management have been partly developed and progress is ongoing.

Identifier
Risk 4

Where in the value chain does the risk driver occur?
Investing (Asset owner) portfolio

Risk type & Primary climate-related risk driver

Acute physical	Other, please specify (Considers a wide range of extreme weather event hazards such as: Tropical cyclones, coastal flooding, extreme heat, extreme cold, heavy precipitation/snowfall, extreme wind, fluvial flooding, among others.)

Primary potential financial impact
Reduced profitability of investment portfolios

Climate risk type mapped to traditional financial services industry risk classification
Market risk

Company-specific description
An increase of the severity and frequency of extreme weather events might impact investee real assets and businesses (operations and supply chain) and ultimately lead to a reduced asset value for Desjardins. In 2022, we conducted a climate change risk vulnerability analysis of our lending and own investment portfolio. As of December 31, 2022, our assets under management of our own funds in our investment portfolio were $35 billion CAD. Based on our climate change risk vulnerability analysis, the following sectors (including % of our total assets under management of our own funds) are considered vulnerable to this risk type: real estate (1.6%), utilities (3.9%), materials (0.5%), industrials (2.9%), public services (3.9%), direct investments in real estate (11.7%) and infrastructure (3.8%). This results into a total of 8.6$ billion CAD exposed to this risk type. Sovereign bonds (41.5%) are also a significant portion of our portfolio and analysis will be performed in the near future to understand their exposure to this risk.

Time horizon
Long-term

Likelihood
More likely than not

Magnitude of impact
Medium-high

Are you able to provide a potential financial impact figure?
Yes, an estimated range

Potential financial impact figure (currency)
<Not Applicable>

Potential financial impact figure – minimum (currency)
745000000

Potential financial impact figure – maximum (currency)
1731000000

Explanation of financial impact figure
The range presented in the potential financial impact cells constitute a minimum and a maximum difference in the net present value of our assets as result of the aggregated future extreme weather event costs and profits should the scenario in question be realized. The analysis was completed through the Climate Value-at-Risk (CVAR) tool from MSCI ESG Research. The minimum impact utilizes a Physical Risk- Average scenario and the maximum impact uses a Physical Risk-Aggressive scenario. MSCI ESG Research has established the current level of climate-related physical risk from eight distinct hazards on companies' facilities and modelled how that may change in the future under different physical risk scenarios. MSCI ESG Research has also translated the physical risk from these hazards into detailed costs or opportunities for each company facility.

Cost of response to risk
1350000

Description of response and explanation of cost calculation
To reduce the risk in our portfolio Desjardins Group Assets Management (DGAM) responsible investment team will monitor our portfolio of investments on an ongoing basis using the latest tools and approaches. While our entire staff is responsible for implementing responsible investment (RI) practices, DGAM has recruited ten professionals from a variety of backgrounds such as finance, engineering, sustainable development, climate change, water management and ESG data science. These RI specialists are part of the investment strategy team, which allows them to influence strategies and put our convictions into action. They monitor ESG issues on an ongoing basis and work closely with our analysts and managers to ensure that our investment solutions are in line with sustainable development principles. RI specialists also assist in the development of solutions to ensure the integration of ESG criteria into strategies and the credibility of RI portfolios. They maintain close ties with the RI ecosystem and provide training to all DGAM employees.

It is difficult to provide an estimated cost for all these activities, as the work is done across the organization and not only on this portfolio. This cost estimate was calculated by taking into account the current full-time equivalent employees and partnerships dedicated to these tasks across the organization. It includes high-level and general assumptions.

Comment
The potential financial impact and the cost of management have been partly developed and progress is ongoing.
We are in the early stages of our analysis with this methodology and have limited coverage of our total portfolio. We used the CVAR tool from MSCI and we understand that all tools and approaches have advantages and limitations. We continue to evaluate risk quantification approaches to align with best industry practices.

C2.4

(C2.4) Have you identified any climate-related opportunities with the potential to have a substantive financial or strategic impact on your business?
Yes

C2.4a

(C2.4a) Provide details of opportunities identified with the potential to have a substantive financial or strategic impact on your business.

Identifier

Opp1

Where in the value chain does the opportunity occur?
Banking portfolio

Opportunity type
Products and services

Primary climate-related opportunity driver
Development of new products or services through R&D and innovation

Primary potential financial impact
Increased revenues through access to new and emerging markets

Company-specific description
Since 2016, Desjardins lending and insurance have a green product offering called Desjardins Green Program. Desjardins promotes energy efficiency through its Green Homes Program, which offers advantageous financing conditions and cash-back for the construction, purchase, or green renovation of energy-efficient homes. It further encourages its individual and business clients to opt for energy-efficient alternatives with its green option for vehicle loans and insurance (for energy efficient, hybrid and electric vehicles) and rebates on insurance premiums for energy-efficient buildings and hybrid and electric vehicles.

These products have not only attracted more members that are conscious about their environmental footprint but are also incentivizing our members to have more sustainable homes and vehicles.

Time horizon
Short-term

Likelihood
Likely

Magnitude of impact
Medium

Are you able to provide a potential financial impact figure?
No, we do not have this figure

Potential financial impact figure (currency)
<Not Applicable>

Potential financial impact figure – minimum (currency)
<Not Applicable>

Potential financial impact figure – maximum (currency)
<Not Applicable>

Explanation of financial impact figure
We are unable to share data on financial impact of these products externally for the time being.

Cost to realize opportunity
400000

Strategy to realize opportunity and explanation of cost calculation
Since 2021, our green products have been reviewed, and research and development began to further improve our product offering and expected impact. In addition, a proactive communication strategy is being developed to share the results of these products and the success stories of our members using them. Our improved products and communication strategy are expected to generate additional revenue in the coming years. The cost to realize opportunity is a high-level estimate of the annual salaries of the resources dedicated to this task.

Comment

Identifier
Opp2

Where in the value chain does the opportunity occur?
Banking portfolio

Opportunity type
Products and services

Primary climate-related opportunity driver
Development and/or expansion of low emission goods and services

Primary potential financial impact
Increased revenues through access to new and emerging markets

Company-specific description
As part of Desjardins's climate ambition 2040, we have announced a 2025 target to financially support the development of five additional biomethanization projects to support the transformation of organic waste, particularly agricultural waste, into renewable energy. Desjardins key mission is to contribute to the economic and social well-being of people and communities in which we operate. Our main headquarters and impact is in the province of Quebec, Canada. While the province is highly electrified with hydroelectricity, there are still many buildings that consume natural gas for heating and cooking.

A key target of the Quebec provincial government is to increase the utilization of renewable natural gas in the province. Renewable natural gas is currently less than 1 % of the natural gas distributed by the province's main distributor, Energir. According to a 2018 study by Energir, the province has a technical and economic potential to increase this percentage to 12% of the natural gas distributed at the time. In 2030, this potential volume will correspond to 66% of the volume of natural gas distributed by Energir in 2018. As a result, this market constitutes a significant opportunity to generate revenue for Desjardins through the finance of biomethanization projects to generate the natural gas required.

Time horizon
Short-term

Likelihood

Virtually certain

Magnitude of impact
Medium

Are you able to provide a potential financial impact figure?
Yes, a single figure estimate

Potential financial impact figure (currency)
2700000

Potential financial impact figure – minimum (currency)
<Not Applicable>

Potential financial impact figure – maximum (currency)
<Not Applicable>

Explanation of financial impact figure
This financial impact figure constitutes the estimated annual revenues for Desjardins from financing five additional biomethanization projects by 2025.

Cost to realize opportunity
150000

Strategy to realize opportunity and explanation of cost calculation
Desjardins' lending team is leveraging its relationships with the agricultural sector and renewable energy companies to identify these projects. Desjardins already has already financed one project and the learnings from this project will support the implementation of the next projects.
The cost to realize this opportunity is a high-level estimate of the annual salaries of the resources dedicated to this task.

Comment
The potential financial impact and the costs of management have been partly developed and progress is ongoing. From a risk perspective, risk estimates and the related analysis should be subject to an effective review and validation by a team/department that has not been involved in the fieldwork.

Identifier
Opp3

Where in the value chain does the opportunity occur?
Investing (Asset manager) portfolio

Opportunity type
Products and services

Primary climate-related opportunity driver
Shift in consumer preferences

Primary potential financial impact
Increased revenues through access to new and emerging markets

Company-specific description
The investing landscape is evolving quickly with a strong increase of responsible investment products and services. Desjardins has been playing a key role in Canada to develop responsible investment and will continue doing so by developing innovative new solutions to offer low-emission funds and portfolios to Canadians.

Time horizon
Short-term

Likelihood
Virtually certain

Magnitude of impact
Medium

Are you able to provide a potential financial impact figure?
No, we do not have this figure

Potential financial impact figure (currency)
<Not Applicable>

Potential financial impact figure – minimum (currency)
<Not Applicable>

Potential financial impact figure – maximum (currency)
<Not Applicable>

Explanation of financial impact figure
We are unable to share data on the financial impact of these products externally for the time being.

Cost to realize opportunity

Strategy to realize opportunity and explanation of cost calculation
Desjardins offers various saving products for members and clients concerned about environmental, social and governance (ESG) considerations into investments. The Desjardins SocieTerra Funds and SocieTerra Portfolios use several strategies to take part in the transition to a low-carbon economy. These focus on:
• Cutting how much we invest in high-carbon companies
• Considering environmental issues in all investments
• A much smaller carbon footprint
• Investments that focus on environmental solutions
• Implementing constructive dialogue with businesses to improve their practices.
All 28 of our SocieTerra Funds and Portfolios have been oil- and pipeline-free since June 2020, reducing the exposure of these investment products to fossil fuel producers and specialized transporters from 5% to 0%.
The SocieTerra Portfolios and Funds use many responsible investment strategies, including exclusion screening, environmental, social and governance integration, thematic investing and, shareholder engagement. As of December 31, 2022, SocieTerra has $7.4 billion in assets under management. We measure the estimated carbon intensity of organizations that the Desjardins Funds invest in compared to similar organizations.

We are unable to share data on the cost associated withthese products externally for the time being.

Comment

Identifier
Opp4

Where in the value chain does the opportunity occur?
Banking portfolio

Opportunity type
Products and services

Primary climate-related opportunity driver
Development and/or expansion of low emission goods and services

Primary potential financial impact
Other, please specify (Increased profit as a result of reduced cost when compared to a regular bond)

Company-specific description
Sustainable bonds are fixed-income financial instruments that attract clients that want to support the financing of green and social projects and represent an opportunity for increased revenue and reduced cost. The Desjardins Sustainable Bond Framework allows for the issuance of green, social and sustainability bonds. This framework is consistent with the principles and guidelines of the International Capital Market Association (ICMA).

Time horizon
Short-term

Likelihood
Virtually certain

Magnitude of impact
Medium-high

Are you able to provide a potential financial impact figure?
Yes, an estimated range

Potential financial impact figure (currency)
<Not Applicable>

Potential financial impact figure – minimum (currency)
0

Potential financial impact figure – maximum (currency)
150000

Explanation of financial impact figure
This financial figure above ($0-$150,000) represents the incremental annual gross profit associated with the debut issue of $500 million sustainable bonds when compared to the issuer's traditional funding programs. The minimum financial impact figure is estimated by assuming a scenario where the sustainable bond offering does not result in lowering the cost of funds for the issuer. The maximum financial figure assumes a funding advantage in issuing sustainable bonds relative to a "regular" financing. This advantage would result in increased financial returns for loans which had been originated by the issuer to fund projects which have environmental or social benefits.

Cost to realize opportunity
28000

Strategy to realize opportunity and explanation of cost calculation
In September 2021, we made our debut issue of $500 million in sustainable bonds. Moody's ESG Solutions, an independent firm, gave our framework their highest rating, "Advanced." The extremely positive market response to this issuance created value for our members and clients and speaks to our approach's high standards and relevance.
The proceeds from these bonds are used to finance eligible green and social assets.

Eligible green assets:
Renewable energy,
Energy efficiency,
Green buildings,
Clean transportation,
Sustainable food productions,
Environmentally sustainable management of living natural resources and land use,
Sustainable water and wastewater management,
Pollution prevention and control,
See the ICMA Green Bond Principles - External link. This link will open in a new window.

Desjardins social bonds
The proceeds from these bonds are used to finance eligible social assets.

Eligible social assets:
Affordable housing
Employment generation through SME financing
Access to essential services

The cost to realize this opportunity represents the average annual employee salaries to issue and manage these bonds.

Comment
The potential financial impact and the costs of management have been partly developed and progress is ongoing. From a risk perspective, risk estimates and the related analysis should be subject to an effective review and validation by a team/department that has not been involved in the fieldwork.

Identifier
Opp5

Where in the value chain does the opportunity occur?
Investing (Asset manager) portfolio

Opportunity type
Products and services

Primary climate-related opportunity driver
Development and/or expansion of low emission goods and services

Primary potential financial impact
Increased revenues resulting from increased demand for products and services

Company-specific description
The investing landscape is evolving quickly with a strong increase of responsible investment products and services. Desjardins has been playing a key role in Canada to develop responsible investment and will continue doing so by developing innovative new solutions to offer low-emission exchange-traded funds (ETFs) to Canadians.

Time horizon
Short-term

Likelihood
Very likely

Magnitude of impact
Medium

Are you able to provide a potential financial impact figure?
No, we do not have this figure

Potential financial impact figure (currency)
<Not Applicable>

Potential financial impact figure – minimum (currency)
<Not Applicable>

Potential financial impact figure – maximum (currency)
<Not Applicable>

Explanation of financial impact figure
We are unable to share data on the financial impact of these products externally for the time being.

Cost to realize opportunity

Strategy to realize opportunity and explanation of cost calculation
Low-carbon Exchange Traded Funds (ETFs)
Desjardins offers a range of responsible investment ETFs that specifically address climate change. These ETFs build their portfolios using a rigorous selection process that chooses companies with practices that emphasize social responsibility and respect for the environment.
Desjardins RI ETFs – Low CO2
These ETFs offer portfolios with carbon intensity that are intended to be 25% lower than their corresponding market indexes, by excluding securities from the companies in each sector with the highest carbon intensity. This target is in line with the commitments made by Desjardins to combat climate change.
Desjardins RI Global Multifactor ETF – Fossil Fuel Reserves Free
This ETF offers the rare opportunity to invest with no exposure to the traditional energy sector (coal, gas, oil). It excludes all companies in the fossil fuel industry and uses a filter to screen out any businesses that hold fossil fuel reserves.
Here is the list of available RI ETFs that address climate change:

Desjardins RI Active Canadian Bond - Low CO2 ETF (Canada)
Desjardins RI Canada - Low CO2 Index ETF (Canada)
Desjardins RI Canada Multifactor - Low CO2 ETF (Canada)
Desjardins RI Developed ex-USA ex-Canada Low CO2 Index ETF (Canada)
Desjardins RI Developed ex-USA ex-Canada Multifactor - Low CO2 ETF (Canada)
Desjardins RI Emerging Markets Low CO2 Index ETF (Canada)
Desjardins RI Emerging Markets Multifactor - Low CO2 ETF (Canada)
Desjardins RI USA - Low CO2 Index ETF (Canada)
Desjardins RI USA Multifactor - Low CO2 ETF (Canada)
Desjardins RI Global Multifactor - Fossil Fuel Reserves Free ETF (Canada)

As of December 31, 2022, 65,6% of total ETF assets from Desjardins are in Low-carbon Exchange Traded Funds (ETFs).

We are unable to share the cost estimate associated with these products at the moment.

Comment

C3. Business Strategy

C3.1

(C3.1) Does your organization's strategy include a climate transition plan that aligns with a 1.5°C world?

Row 1

Climate transition plan
Yes, we have a climate transition plan which aligns with a 1.5°C world

Publicly available climate transition plan
Yes

Mechanism by which feedback is collected from shareholders on your climate transition plan
We have a different feedback mechanism in place

Description of feedback mechanism
Our transition plan is adopted by the Federation's Board of directors and we have several feedback mechanisms in place.
As a financial cooperative, Desjardins members -equivalent to the shareholders of a company- can submit questions to their caisse (local branches, part of the Desjardins federation) on how Desjardins overall strategy aligns with a 1,5°C world, for instance through a notice of proposals for topics to be covered during the local branch annual general meeting, through social media, thematic forums from Desjardins Group, discussion groups, the Youth committee, and surveys performed by specialized agencies. The proposal might then be escalated to the federation's board of director and/or the federation AGM for a vote.

Frequency of feedback collection
More frequently than annually

Attach any relevant documents which detail your climate transition plan (optional)
Climate Action at Desjardins, p.17
D50-GR~1.PDF

Explain why your organization does not have a climate transition plan that aligns with a 1.5°C world and any plans to develop one in the future
<Not Applicable>

Explain why climate-related risks and opportunities have not influenced your strategy
<Not Applicable>

C3.2

(C3.2) Does your organization use climate-related scenario analysis to inform its strategy?

	Use of climate-related scenario analysis to inform strategy	Primary reason why your organization does not use climate-related scenario analysis to inform its strategy	Explain why your organization does not use climate-related scenario analysis to inform its strategy and any plans to use it in the future
Row 1	Yes, qualitative, but we plan to add quantitative in the next two years	<Not Applicable>	<Not Applicable>

C3.2a

(C3.2a) Provide details of your organization's use of climate-related scenario analysis.

Climate-related scenario	Scenario analysis coverage	Temperature alignment of scenario	Parameters, assumptions, analytical choices
Physical climate scenarios RCP 8.5	Business division	<Not Applicable>	- Desjardins used in 2021 and 2022 projections from the models provided by Environment and Climate Change Canada to estimate the exposure of our property and casualty (P&C) insurance portfolio to wildfires (current and 2030-2050, RCP 8.5, Canada-wide) - UNEP-FI PSI TCFD project and follow-ups (2020-2021): Desjardins participated in 2020 in a UNEP-FI-led pilot initiative focusing on the insurance sector. This project focused on the development of a tool to assess the repercussions of flood risk on the property and casualty insurance industry, with a focus on the province of Ontario. It included two climate scenarios (RCP 4.5 and 8.5) with a 2030-2050 time horizon.
Physical climate scenarios Bespoke physical scenario	Portfolio	Unknown	- Desjardins assessed the exposure to flood risks of our mortgages in 2021, using different approaches: application of insurance models to assess current exposure of our mortgages, projections using the latest largest recent flood events in Quebec with an increased frequency, to test the potential impacts.
Transition scenarios Customized publicly available transition scenario	Business activity	1.6ºC – 2ºC	Desjardins's Real estate team is using the Carbon Risk Real Estate Monitor (CRREM, https://www.crrem.eu/) to assess how our real estate portfolio will be impacted by transition risks under below 2°C and 1.5°C scenarios.
Transition scenarios NGFS scenarios framework	Business division	<Not Applicable>	Desjardins's asset management division is using the Climate Value at Risk tool (CVaR) developed by MSCI to assess the magnitude of changes under orderly and disorderly transition scenarios.

C3.2b

(C3.2b) Provide details of the focal questions your organization seeks to address by using climate-related scenario analysis, and summarize the results with respect to these questions.

Row 1

Focal questions

Many factors make it difficult to integrate climate change into the strategy of a diversified financial institution like ours, including long time horizons, the multitude of physical and transition risks, complex causality links between climate and socioeconomic variables and the financial impact on our members, clients and business sectors, and the broad range of models and scenarios for what the future may hold.
Our scenario analysis firstly aims at raising awareness and understanding of future trends under various climate scenarios, ranging from deep decarbonization (delayed/disorderly or immediate/orderly) to business as usual (hot house scenario). We secondly are focusing on answering key questions for our various business lines, such as: are specific sectors more exposed? Will our members and clients be impacted by the identified trends? How will this impact our business activities (insurance, banking, investment) and operations?

Results of the climate-related scenario analysis with respect to the focal questions

Objective 1 - raising awareness: the scenarios analysis conducted during pilot projects or specific targeted exercises provided concrete and valuable opportunities to discuss our exposure to climate change risks under various scenarios, between various teams: climate change, risk management, responsible investment, actuaries, etc.

Objective 2 - summary assessment of impacts:
- P&C insurance (physical hazards: wild fires, floods, windstorms): low risk on the short to medium term for the large majority of our clients; low impact on revenues/profitability
- Asset management - own assets (transition and physical): low exposure to carbon-intensive sectors, but potentially high transition impacts on a longer term
- Mortgages (physical): low risk (floods) on the short to medium term for the large majority of our members; low impact on revenues/profitability
- Business loans (transition): overall low risk on the medium term (2030), highly dependent on modelling assumptions, with more impacts on the energy and other carbon-intensive sectors (mining, materials, industrials, agriculture, etc.).
For more details, see C2.2 and C2.3a.

C3.3

(C3.3) Describe where and how climate-related risks and opportunities have influenced your strategy.

	Have climate-related risks and opportunities influenced your strategy in this area?	Description of influence
Products and services	Yes	Many of our products and services demonstrate how our strategy takes into account the opportunities and risks related to climate change, across the organization: - insurance: insurance products that target specifically green buildings and vehicles, programs/apps helping our clients manage climate-related risks (see R&D below) - investing: ongoing decarbonization of our own investments (with a related target), low-carbon and oil-production and pipeline-free funds or portfolios (SocieTerra lineup of investment vehicles), low-carbon or fossil fuel-free ETFs, thematic guaranteed investments (Priority Terra market-linked guaranteed investment), regular shareholder dialogue related to climate, and proxy voting policy - banking: financing products that offer rebates and cashback for the purchase of a green home or vehicle, and energy-efficient home renovations. As part of our 2040 climate action plan, Desjardins has set a 2025 commitment to increasing its support for the renewable energy sector by: -Boosting the share allocated to renewables in our lending to energy corporations from 24% in 2020 to 35% in 2025. [2022 progress: 40%] -Building a $2 billion investment portfolio in renewable energy infrastructure (an increase of 66% over 2020). [2022 progress: $1.7B] - Participate in 6 biomethanization projects (+5 projects vs. 2020) to convert organic waste (largely biomass from agriculture) into renewable energy. [2022 progress: 2 projects financed] To further improve our products and services, Desjardins has set a commitment of training its employees on the principles of sustainable development and responsible finance so they can better support Desjardins's 7.5 million members and clients. By the end of 2022, 93% more than 58,000 Desjardins's employees completed this mandatory training. Employees who design or sell responsible investing products will receive specific training to help them get the word out to their clientele. In addition to our group-wide coal exclusion policy, Desjardins has also committed to focus on and support large corporations in carbon-intensive sectors who: -Demonstrate solid environmental, social and governance (ESG) performance; -Factor in climate risk; -Set credible targets for reducing greenhouse gas (GHG) emissions.
Supply chain and/or value chain	Yes	All suppliers commit to respecting the Supplier Code of Conduct, which includes an expectation on GHG management ("Desjardins expects its suppliers to implement actions to reduce greenhouse gas emissions"). More than 13% of our suppliers, representing 55% of our product and service purchases, have been evaluated with a questionnaire including specific questions regarding climate change. As part of our 2040 climate action plan, Desjardins has set a 2025 commitment to work with about 100 key suppliers to gradually reduce the carbon footprint of our supply chain, with a 2040 objective of having a net-zero supply chain.
Investment in R&D	Yes	R&D is key to the development of products and services aligned with our climate change position. This can take different forms, for example: - the creation of ETFs avoiding all investment in fossil fuels in March 2019; - internal methodological developments to track and lower the carbon footprint of our investment and lending activities for various asset classes; - the development of programs such as Radar ™ and Alert ™ notifying our members and clients about extreme weather or potential freeze/water damage, or Ajusto ©, our telematics program encouraging drivers to be safer by cutting down on sudden stops and acceleration, which also saves them gas; or - developing new markets, particularly in the renewable energy sector, to make sure that our strategy contributes to a just energy transition of the society. In 2020, Desjardins began a partnership in research and development to support the transition to a circular economy. Desjardins made a $2.1M contribution over five years to the Centre for intersectoral study and research into the circular economy (CERIEC) of the École de technologie supérieure (ÉTS) to launch an ecosystem of circular economy acceleration laboratories. Desjardins is also partnering with the University of Sherbrooke (QC) and launched in 2016 the Desjardins chair in responsible finance with a contribution of $2.5M.
Operations	Yes	Various GHG emissions reduction initiatives have been implemented to decrease our operational footprint, lower our exposure to reputational and carbon pricing risks and take advantage of resource efficiency and cost reduction opportunities. These opportunities focus on energy use (real estate, transportation) and paper consumption. We also became carbon neutral for our operations in 2017 following an earlier decision to purchase carbon offsets. In support of Desjardins's 2040 climate ambition, we announced in 2021 that by 2025, Desjardins will have reduced the carbon emissions of its basic activities (business travel, paper use, energy consumption in buildings we lease or own) to 41% below 2019 levels. This target is in line with the SBTi methodology (1,5°C alignment). To reach this ambition, we have also created the Cooperating for the Climate Challenge. As part of this project, we have created a governance structure, set a schedule for follow-ups, and identified 5 priorities: paper consumption, business travels, energy use in our buildings (since we're one of the largest private landowners in Quebec), employee buy-in and our supply chain. The project is supported by 60 ambassadors from the business sectors and support functions who are responsible for identifying initiatives that will significantly cut down on emissions as well as engaging employees across the organization and giving them the tools they need to contribute. We've already identified several initiatives for the Cooperating for the Climate challenge. Work began in 2021.

C3.4

(C3.4) Describe where and how climate-related risks and opportunities have influenced your financial planning.

	Financial planning elements that have been influenced	Description of influence
Row 1	Revenues Direct costs Capital expenditures Acquisitions and divestments Assets Claims reserves	Climate-related risks are taken into account from a financial planning perspective in various ways. Investments (revenue, divestment and financial assets): One key example is our decarbonization target for our investments. In order to lower the exposure of our investments portfolio to climate-related risks, we committed to ensuring that, by the end of 2020, the carbon footprint of our investments in publicly traded securities had to be 25 % lower than the average of the companies that make up the stock and bond market indexes. As at December 31, 2022, Desjardins not only achieved but surpassed this target, at 40% below the benchmark indexes. Desjardins also became in 2020 a member of the Powering Past Coal Alliance (PPCA) and implemented a group-wide exclusion policy targeting the coal sector. As part of this initiative, we will therefore request additional climate-related information for some insurance clients. Desjardins has announced a climate action plan to achieve net zero emissions by 2040 in its extended operations and in its lending activities and own investments in three key carbon-intensive sectors: energy, transportation and real estate and formalized this strategy through public commitments to the NZAMI and the SBTi. Also, as part of our 2040 climate action plan, Desjardins has set a 2025 commitment to increasing its support for the renewable energy sector by: -Boosting the share allocated to renewables in our lending to energy corporations from 24% in 2020 to 35% in 2025. [2022 progress: 40%] -Building a $2 billion investment portfolio in renewable energy infrastructure (an increase of 66% over 2020). [2022 progress: $1.7B] - Participate in 6 biomethanization projects (+5 projects vs. 2020) to convert organic waste (largely biomass from agriculture) into renewable energy. [2022 progress: 2 projects financed] Direct costs: In addition to the resources allocated to meet our commitment of training our employees (93% more than 58,000 Desjardins's employees by the end of 2022) on the principles of sustainable development so they can better support Desjardins's 7.5 million members and clients, resources are being allocated across our organization to hire more professionals in climate change and sustainable development. For instance, the investment, lending and insurance teams have added ESG specialists and created communities of practice for responsible investment and responsible insurance that help coordinate the approaches from sector to sector. Operations (Capital Expenditures and Assets): Our internal carbon pricing mechanism also allows us to better assess, monitor and lower our GHG emissions in our operations, including the management of our real estate and procurement division. In support of Desjardins's 2040 climate ambition, our real estate team developed a general approach for the energy management of the buildings that includes a series of pilot projects and potential initiatives that will support the further decarbonization of our portfolio. This plan includes a proposed budget for capital expenditures including building retrofits and further renewable energy purchases. This approach is being refined and reviewed by our internal experts and stakeholders. Claims reserves: Desjardins made significant progress in 2020 and 2021 in the quantification of the financial risk associated with acute weather events on its insurance portfolio. For instance, Desjardins participated in the UNEP-FI PSI TCFD program to assess the long-term (2030-2050) impact of changes Ontario's flood climate based on two scenarios for the property and casualty insurance sector. Learnings from this and other similar ongoing climate change hazard analyses (e.g., windstorms, wildfires, hail) are being used as an input to Desjardins response strategy which will include recommendations regarding our claim's reserves.

C3.5

(C3.5) In your organization’s financial accounting, do you identify spending/revenue that is aligned with your organization’s climate transition?

	Identification of spending/revenue that is aligned with your organization’s climate transition	Indicate the level at which you identify the alignment of your spending/revenue with a sustainable finance taxonomy
Row 1	Yes, we identify alignment with our climate transition plan	<Not Applicable>

C3.5a

(C3.5a) Quantify the percentage share of your spending/revenue that is aligned with your organization's climate transition.

Financial Metric
Other, please specify (Share of renewables in our lending to energy corporations)

Type of alignment being reported for this financial metric
Alignment with our climate transition plan

Taxonomy under which information is being reported
<Not Applicable>

Objective under which alignment is being reported
<Not Applicable>

Amount of selected financial metric that is aligned in the reporting year (unit currency as selected in C0.4)

Percentage share of selected financial metric aligned in the reporting year (%)
40

Percentage share of selected financial metric planned to align in 2025 (%)
35

Percentage share of selected financial metric planned to align in 2030 (%)

Describe the methodology used to identify spending/revenue that is aligned
The share of renewable energy in our lending to energy corporations is calculated through a granular analysis at the company/project level:
- identification of all loans in the energy sector (NAICS codes, manual identification) - for each loan, estimation of a percentage of renewable energy (e.g., solar, wind, hydro, biomass, renewable natural gas) associated with the loan, based on the energy generated, energy capacity or revenue breakdown (by order of preference, depending on data availability)
- multiplication of committed amounts by percentages of renewables to obtain a total commitment to renewables, divided the total commitment to obtain the percentage tracked. This share of renewable energy in our lending to energy corporations is part of our 2025 milestone targets to reach our 2040 net zero emissions objective as defined in our climate strategy.
No value for 2030 has yet been defined.

Financial Metric
Other, please specify (Share of renewables in our direct investments in energy infrastructures)

Type of alignment being reported for this financial metric
Please select

Taxonomy under which information is being reported
<Not Applicable>

Objective under which alignment is being reported
<Not Applicable>

Amount of selected financial metric that is aligned in the reporting year (unit currency as selected in C0.4)

Percentage share of selected financial metric aligned in the reporting year (%)
100

Percentage share of selected financial metric planned to align in 2025 (%)
100

Percentage share of selected financial metric planned to align in 2030 (%)
100

Describe the methodology used to identify spending/revenue that is aligned
The share of renewables in our direct investments in energy infrastructures is set to 100%, since we have committed to only invest in energy infrastructures generating energy from renewables, such as wind (54% in 2022), solar (27%) and hydro (19%). Together with the Desjardins Group Pension Plan, we have a sizable infrastructure portfolio. Our infrastructure investments are concentrated in the renewable energy sector, which accounts for 42% of this portfolio . Renewable energy investments continue to grow and totalled $1.7 billion as at September 30, 2022, up 40% from the end of 2020. The absolute amount invested in renewable energy is targeted to reach $2B in 2025, and already increased from $1.5B in 2021 to $1.7B in 2022.

C-FS3.6

(C-FS3.6) Does the policy framework for your portfolio activities include climate-related requirements for clients/investees, and/or exclusion policies?

	Policy framework for portfolio activities that include climate-related requirements for clients/investees, and/or exclusion policies	Explain why the policy framework for your portfolio activities do not include climate-related requirements for clients/investees, and/or exclusion policies
Row 1	Yes, our framework includes both policies with climate-related client/investee requirements and climate-related exclusion policies	<Not Applicable>

C-FS3.6a

(C-FS3.6a) Provide details of the policies which include climate-related requirements that clients/investees need to meet.

Portfolio
Banking (Bank)

Type of policy

Other, please specify (Group-wide sustainability policy)

Portfolio coverage of policy
100

Policy availability
Publicly available

Attach documents relevant to your policy
d50-politique-dd-mvt-2020-e.pdf

Criteria required of clients/investees
No criteria required

Value chain stages of client/investee covered by criteria
Direct operations only

Timeframe for compliance with policy criteria
No timeframe

Industry sectors covered by the policy
Energy
Materials
Capital Goods
Commercial & Professional Services
Transportation
Automobiles & Components
Consumer Durables & Apparel
Consumer Services
Retailing
Food & Staples Retailing
Food, Beverage & Tobacco
Household & Personal Products
Health Care Equipment & Services
Pharmaceuticals, Biotechnology & Life Sciences
Software & Services
Technology Hardware & Equipment
Semiconductors & Semiconductor Equipment
Telecommunication Services
Media & Entertainment
Utilities
Real Estate

Exceptions to policy based on
<Not Applicable>

Explain how criteria required, criteria coverage and/or exceptions have been determined
Our group-wide sustainability policy states that climate change (including mitigation and adaptation) is Desjardins Group's environmental priority. This policy applies to all of Desjardins Group's activities. This policy further includes elements ensuring that the environment (including climate change) is taken into account in all aspects of our business, especially in our strategy, risk management, products and services development, training of employees and leaders.

Portfolio
Investing (Asset manager)

Type of policy
Engagement policy
Sustainable/Responsible Investment Policy
Investment policy/strategy
Proxy voting

Portfolio coverage of policy
100

Policy availability
Publicly available

Attach documents relevant to your policy
c15-responsible-investment-guidelines-en.pdf
dgam-infrastructure-esg-guideline-11-e.pdf
d50-politique-dd-mvt-2020-e.pdf
c15-policy-exercise-voting-right-e_2021.pdf
dgam-shareholder-engagement-activities-2021-e.pdf

Criteria required of clients/investees
No criteria required

Value chain stages of client/investee covered by criteria
Direct operations and supply chain

Timeframe for compliance with policy criteria
No timeframe

Industry sectors covered by the policy
Energy
Materials
Capital Goods
Commercial & Professional Services

Transportation
Automobiles & Components
Consumer Durables & Apparel
Consumer Services
Retailing
Food & Staples Retailing
Food, Beverage & Tobacco
Household & Personal Products
Health Care Equipment & Services
Pharmaceuticals, Biotechnology & Life Sciences
Software & Services
Technology Hardware & Equipment
Semiconductors & Semiconductor Equipment
Telecommunication Services
Media & Entertainment
Utilities
Real Estate

Exceptions to policy based on
<Not Applicable>

Explain how criteria required, criteria coverage and/or exceptions have been determined
Our group-wide sustainability policy states that climate change (including mitigation and adaptation) is Desjardins Group's environmental priority. This policy applies to all of Desjardins Group's activities. This policy further includes elements ensuring that the environment (including climate change) is taken into account in all aspects of our business, especially in our strategy, risk management, products and services development, training of employees and leaders.
In addition to this group-level sustainability policy, we also have additional documents related to our investing activities:
- Responsible investment guidelines, describing how ESG criteria should be integrated and reported on;
- A shareholder dialog program: climate change is one of the key topics and is discussed with almost all companies, with associated reporting;
- Investment policies including climate change elements for our responsible investment strategies; and
- A proxy voting strategy that includes climate change elements.
One key example is our decarbonization target for our investments. In order to lower the exposure of our investments portfolio to climate-related risks, we've committed to ensuring that, by the end of 2020, the carbon footprint of our investments in publicly traded securities had to be 25 % lower than the average of the companies that make up the stock and bond market indexes. As of December 31, 2022, Desjardins not only achieved but surpassed this target, at 40% below the benchmark indexes. Desjardins also became in 2020 a member of the Powering Past Coal Alliance (PPCA) and implemented a group-wide exclusion policy targeting the coal sector, and in 2021 of the Net-zero Asset Managers initiative. We also consider climate change in lending decisions and when files are reviewed annually by using an ESG evaluation grid customized by industry (used since 2020 for large businesses, with gradual integration for medium-sized businesses starting in 2021). Right now we're in the process of rolling out a climate analysis grid for carbon-intensive sectors.

Portfolio
Investing (Asset owner)

Type of policy
Engagement policy
Sustainable/Responsible Investment Policy
Investment policy/strategy
Proxy voting

Portfolio coverage of policy
100

Policy availability
Publicly available

Attach documents relevant to your policy
c15-responsible-investment-guidelines-en.pdf
dgam-infrastructure-esg-guideline-11-e.pdf
c15-policy-exercise-voting-right-e_2021.pdf
dgam-shareholder-engagement-activities-2021-e.pdf

Criteria required of clients/investees
No criteria required

Value chain stages of client/investee covered by criteria
Direct operations and supply chain

Timeframe for compliance with policy criteria
No timeframe

Industry sectors covered by the policy
Energy
Materials
Capital Goods
Commercial & Professional Services
Transportation
Automobiles & Components
Consumer Durables & Apparel
Consumer Services
Retailing
Food & Staples Retailing
Food, Beverage & Tobacco
Household & Personal Products
Health Care Equipment & Services
Pharmaceuticals, Biotechnology & Life Sciences
Software & Services

Technology Hardware & Equipment
Semiconductors & Semiconductor Equipment
Telecommunication Services
Media & Entertainment
Utilities
Real Estate

Exceptions to policy based on
<Not Applicable>

Explain how criteria required, criteria coverage and/or exceptions have been determined
Our group-wide sustainability policy states that climate change (including mitigation and adaptation) is Desjardins Group's environmental priority. This policy applies to all of Desjardins Group's activities. This policy further includes elements ensuring that the environment (including climate change) is taken into account in all aspects of our business, especially in our strategy, risk management, products and services development, training of employees and leaders.
In addition to this group-level sustainability policy, we also have additional documents related to our investing activities:
- Responsible investment guidelines, describing how ESG criteria should be integrated and reported on;
- A shareholder dialog program: climate change is one of the key topics and is discussed with almost all companies, with associated reporting;
- Investment policies including climate change elements for our responsible investment strategies; and
- A proxy voting strategy that includes climate change elements.
One key example is our decarbonization target for our investments. In order to lower the exposure of our investment's portfolio to climate-related risks, we’ve committed to ensuring that, by the end of 2020, the carbon footprint of our investments in publicly traded securities is 25 % lower than the average of the companies that make up the stock and bond market indexes. As of December 31, 2022, Desjardins not only achieved but surpassed this target, at 40% below the benchmark indexes. Desjardins also became in 2020 a member of the Powering Past Coal Alliance (PPCA) and implemented a group-wide exclusion policy targeting the coal sector, and in 2021 of the Net-Zero Asset Managers initiative. We also consider climate change in lending decisions and when files are reviewed annually by using an ESG evaluation grid customized by industry (used since 2020 for large businesses, with gradual integration for medium-sized businesses starting in 2021). Right now, we're in the process of rolling out a climate analysis grid for carbon-intensive sectors.

Portfolio
Insurance underwriting (Insurance company)

Type of policy
Other, please specify (Group-wide sustainability policy)

Portfolio coverage of policy
100

Policy availability
Publicly available

Attach documents relevant to your policy
d50-politique-dd-mvt-2020-e.pdf

Criteria required of clients/investees
No criteria required

Value chain stages of client/investee covered by criteria
Direct operations and supply chain

Timeframe for compliance with policy criteria
No timeframe

Industry sectors covered by the policy
Energy
Materials
Capital Goods
Commercial & Professional Services
Transportation
Automobiles & Components
Consumer Durables & Apparel
Consumer Services
Retailing
Food & Staples Retailing
Food, Beverage & Tobacco
Household & Personal Products
Health Care Equipment & Services
Pharmaceuticals, Biotechnology & Life Sciences
Software & Services
Technology Hardware & Equipment
Semiconductors & Semiconductor Equipment
Telecommunication Services
Media & Entertainment
Utilities
Real Estate

Exceptions to policy based on
<Not Applicable>

Explain how criteria required, criteria coverage and/or exceptions have been determined
Our group-wide sustainability policy states that climate change (including mitigation and adaptation) is Desjardins Group's environmental priority. This policy applies to all of Desjardins Group's activities. This policy further includes elements ensuring that the environment (including climate change) is taken into account in all aspects of our business, especially in our strategy, risk management, products and services development, training of employees and leaders.

C-FS3.6b

(C-FS3.6b) Provide details of your exclusion policies related to industries and/or activities exposed or contributing to climate-related risks.

Portfolio
Banking (Bank)
Investing (Asset manager)
Investing (Asset owner)
Insurance underwriting (Insurance company)

Type of exclusion policy
Thermal coal

Year of exclusion implementation
2019

Timeframe for complete phase-out
By 2040

Application
New business/investment for new projects
New business/investment for existing projects
Existing business/investment for existing projects

Country/Area/Region the exclusion policy applies to
Antarctica
Americas
Asia Pacific (or JAPA)
Europe, Middle East and Africa (EMEA)

Description
Desjardins Group has published in 2019 its position on coal. This policy was assessed by the NGO Reclaim Finance in 2020 and considered at the time among the 17 most robust coal policy for financial institutions worldwide.
Statement: Desjardins will not invest its own funds in, or provide financial products (including corporate financing, financial intermediation, loans and insurance) to companies that:
▪ Operate or develop coal mines
▪ Have greater than 10%, or 5 GW, installed coal power generation capacity
▪ Are building, extending or renovating coal mines, power plants or infrastructure

In keeping with the principles of a just energy transition, and to support businesses that want to divest from the industry, Desjardins may work with companies that have announced a coal phase-out strategy in line with IPCC Guidelines and the Paris Agreement, which call for a complete coal phase-out by:
▪ 2030 for OECD countries
▪ 2040 for the rest of the world
This exception will only apply to a limited number of cases.
Our position applies to business relationships with current and future members and clients.
(https://www.desjardins.com/ressources/pdf/d00-desjardins_position_coal.pdf)

Portfolio
Banking (Bank)
Investing (Asset manager)
Investing (Asset owner)
Insurance underwriting (Insurance company)

Type of exclusion policy
Other, please specify (Carbon-intensive sectors)

Year of exclusion implementation
2020

Timeframe for complete phase-out
Other, please explain (No phase-out, but focus on climate risk integration and adoption of credible greenhouse gas reduction targets in support of the objectives of the Paris Agreement)

Application
New business/investment for new projects
New business/investment for existing projects
Existing business/investment for existing projects

Country/Area/Region the exclusion policy applies to
Canada

Description
Guiding principles for Desjardins Group's action vis-à-vis carbon-intensive sectors in Canada:
To achieve our 2040 net zero emissions climate ambition, Desjardins Group favours a case-by-case approach aimed at aligning its financing and investment activities with its Net Zero Carbon goal instead of excluding the carbon-intensive sectors. For these sectors, Desjardins will seek to support companies in transition by advising them and developing business with those that commit to:
- Demonstrating good ESG performance
- Concretely integrating climate risk
- Adopting credible greenhouse gas reduction targets in support of the objectives of the Paris Agreement

This approach applies to large companies with which Desjardins Group establishes business relationships and which must show climate change leadership like us.
Also, Desjardins is committed to raising awareness and supporting small and medium-sized businesses so that they can gradually integrate the risks and business opportunities arising from the integration of ESG factors and climate risk.

C-FS3.7

(C-FS3.7) Does your organization include climate-related requirements in your selection process and engagement with external asset managers?

	Climate-related requirements included in selection process and engagement with external asset managers	Primary reason for not including climate-related requirements in selection process and engagement with external asset managers	Explain why climate-related requirements are not included in selection process and engagement with external asset managers and your plans for the future
Row 1	Yes	<Not Applicable>	<Not Applicable>

C-FS3.7a

(C-FS3.7a) Provide details of the climate-related requirements included in your selection process and engagement with external asset managers.

Coverage
All assets managed externally

Mechanisms used to include climate-related requirements in external asset manager selection
Preference for investment managers with an offering of funds resilient to climate change
Review investment manager's climate performance (e.g., active ownership, proxy voting records, under-weighting in high impact activities)
Review investment manager's climate-related policies

Describe how you monitor and engage with asset managers to ensure investment activities are consistent with your climate strategy
Climate-related issues are factored in the selection process and engagement with external asset managers for all our products. Our responsible investment due diligence questionnaire used for asset managers selection includes climate change considerations. We also use an ESG scorecard (including specific criteria on climate change) to analyze and compare asset managers.

Coverage
Minority of assets managed externally

Mechanisms used to include climate-related requirements in external asset manager selection
Include climate-related requirements in investment mandates
Preference for investment managers with an offering of funds resilient to climate change
Review investment manager's climate performance (e.g., active ownership, proxy voting records, under-weighting in high impact activities)
Review investment manager's climate-related policies

Describe how you monitor and engage with asset managers to ensure investment activities are consistent with your climate strategy
In addition to the mechanisms applicable to all the external asset managers for all our products, we include for our low-carbon and oil-production and pipeline-free SocieTerra funds or portfolios ($7.4 billion in assets under management as of December 31, 2022) specific climate-related requirements and are more stringent when it comes to our preference towards asset managers with low-carbon and climate-resilient products and expertise.

C-FS3.8

(C-FS3.8) Does your organization include covenants in financing agreements to reflect and enforce your climate-related policies?

	Climate-related covenants in financing agreements	Primary reason for not including climate-related covenants in financing agreements	Explain why your organization does not include climate-related covenants in financing agreements and your plans for the future
Row 1	No, but we plan to include climate-related covenants in the next two years	Lack of internal resources	In 2022, our corporate lending branch formalized its sustainable lending team and is currently in the process of identifying, hiring and training resources to implement the sustainable lending strategy in the coming years.

C4. Targets and performance

C4.1

(C4.1) Did you have an emissions target that was active in the reporting year?
Absolute target
Portfolio target

C4.1a

(C4.1a) Provide details of your absolute emissions target(s) and progress made against those targets.

Target reference number
Abs 1

Is this a science-based target?
Yes, we consider this a science-based target, and we have committed to seek validation of this target by the Science Based Targets initiative in the next two years

Target ambition
1.5°C aligned

Year target was set
2021

Target coverage
Company-wide

Scope(s)
Scope 1
Scope 2
Scope 3

Scope 2 accounting method
Location-based

Scope 3 category(ies)
Category 1: Purchased goods and services
Category 6: Business travel

Base year
2019

Base year Scope 1 emissions covered by target (metric tons CO2e)
8568

Base year Scope 2 emissions covered by target (metric tons CO2e)
2556

Base year Scope 3, Category 1: Purchased goods and services emissions covered by target (metric tons CO2e)
16252

Base year Scope 3, Category 2: Capital goods emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 4: Upstream transportation and distribution emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 5: Waste generated in operations emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 6: Business travel emissions covered by target (metric tons CO2e)
10588

Base year Scope 3, Category 7: Employee commuting emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 8: Upstream leased assets emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 9: Downstream transportation and distribution emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 10: Processing of sold products emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 11: Use of sold products emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 12: End-of-life treatment of sold products emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 13: Downstream leased assets emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 14: Franchises emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 15: Investments emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Other (upstream) emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Other (downstream) emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year total Scope 3 emissions covered by target (metric tons CO2e)
26840

Total base year emissions covered by target in all selected Scopes (metric tons CO2e)
37964

Base year Scope 1 emissions covered by target as % of total base year emissions in Scope 1
100

Base year Scope 2 emissions covered by target as % of total base year emissions in Scope 2
100

Base year Scope 3, Category 1: Purchased goods and services emissions covered by target as % of total base year emissions in Scope 3, Category 1: Purchased goods and services (metric tons CO2e)
100

Base year Scope 3, Category 2: Capital goods emissions covered by target as % of total base year emissions in Scope 3, Category 2: Capital goods (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions covered by target as % of total base year emissions in Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 4: Upstream transportation and distribution covered by target as % of total base year emissions in Scope 3, Category 4: Upstream transportation and distribution (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 5: Waste generated in operations emissions covered by target as % of total base year emissions in Scope 3, Category 5: Waste generated in operations (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 6: Business travel emissions covered by target as % of total base year emissions in Scope 3, Category 6: Business travel (metric tons CO2e)
100

Base year Scope 3, Category 7: Employee commuting covered by target as % of total base year emissions in Scope 3, Category 7: Employee commuting (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 8: Upstream leased assets emissions covered by target as % of total base year emissions in Scope 3, Category 8: Upstream leased assets (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 9: Downstream transportation and distribution emissions covered by target as % of total base year emissions in Scope 3, Category 9: Downstream transportation and distribution (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 10: Processing of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 10: Processing of sold products (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 11: Use of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 11: Use of sold products (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 12: End-of-life treatment of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 12: End-of-life treatment of sold products (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 13: Downstream leased assets emissions covered by target as % of total base year emissions in Scope 3, Category 13: Downstream leased assets (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 14: Franchises emissions covered by target as % of total base year emissions in Scope 3, Category 14: Franchises (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 15: Investments emissions covered by target as % of total base year emissions in Scope 3, Category 15: Investments (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Other (upstream) emissions covered by target as % of total base year emissions in Scope 3, Other (upstream) (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Other (downstream) emissions covered by target as % of total base year emissions in Scope 3, Other (downstream) (metric tons CO2e)
<Not Applicable>

Base year total Scope 3 emissions covered by target as % of total base year emissions in Scope 3 (in all Scope 3 categories)
1

Base year emissions covered by target in all selected Scopes as % of total base year emissions in all selected Scopes
1

Target year
2025

Targeted reduction from base year (%)
41

Total emissions in target year covered by target in all selected Scopes (metric tons CO2e) [auto-calculated]
22398.76

Scope 1 emissions in reporting year covered by target (metric tons CO2e)
100

Scope 2 emissions in reporting year covered by target (metric tons CO2e)
100

Scope 3, Category 1: Purchased goods and services emissions in reporting year covered by target (metric tons CO2e)
100

Scope 3, Category 2: Capital goods emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Scope 3, Category 4: Upstream transportation and distribution emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Scope 3, Category 5: Waste generated in operations emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Scope 3, Category 6: Business travel emissions in reporting year covered by target (metric tons CO2e)
100

Scope 3, Category 7: Employee commuting emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Scope 3, Category 8: Upstream leased assets emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Scope 3, Category 9: Downstream transportation and distribution emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Scope 3, Category 10: Processing of sold products emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Scope 3, Category 11: Use of sold products emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Scope 3, Category 12: End-of-life treatment of sold products emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Scope 3, Category 13: Downstream leased assets emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Scope 3, Category 14: Franchises emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Scope 3, Category 15: Investments emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Scope 3, Other (upstream) emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Scope 3, Other (downstream) emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Total Scope 3 emissions in reporting year covered by target (metric tons CO2e)
1

Total emissions in reporting year covered by target in all selected scopes (metric tons CO2e)
1

Does this target cover any land-related emissions?
No, it does not cover any land-related emissions (e.g. non-FLAG SBT)

% of target achieved relative to base year [auto-calculated]
243.896014452716

Target status in reporting year
Underway

Please explain target coverage and identify any exclusions
After announcing our net zero by 2040 climate plan and joining the Business Ambition for 1.5°C coalition, we unveiled in October 2021 our first science-based target for 2025 for our operational missions. We set a goal to reduce GHG emissions from our operations to 41% below 2019 levels by December 31, 2025. This target includes emissions from energy consumption in buildings used by Desjardins (as an owner and as a tenant), business travel and paper consumption. In 2022, our emissions stood at 19,438 metric tons of CO2 equivalent (tCO2e), up 14% from 2021 and down 49% from the 2019 benchmark. PwC Canada verifies this information each year. The substantial drop in our GHG emissions from operations in 2020 and 2021 is due in part to our efforts, but also largely to the pandemic, which began in March 2020. Our target of 41% below 2019 levels by 2025 remains relevant as economic activities begin to return to normal. The carbon footprint of our supply chain, which was recently added to the climate action plan, will be measured before efforts to reduce it begins.

Plan for achieving target, and progress made to the end of the reporting year
To reach this target, we have created the project Cooperating for the climate challenge. As part of this project, we have created a governance structure, set a schedule for follow-ups, and identified 5 priorities: paper consumption, business travel, energy use in our buildings (since we're one of the largest private landowners in Quebec), employee buy-in and our supply chain. The project is supported by 60 ambassadors from the business sectors and support functions who are responsible for identifying initiatives that will significantly cut down on emissions as well as engaging employees across the organization and giving them the tools they need to contribute. We've already identified several initiatives for the Cooperating for the Climate challenge. Work began in 2021 .

List the emissions reduction initiatives which contributed most to achieving this target
<Not Applicable>

C-FS4.1d

(C-FS4.1d) Provide details of the climate-related targets for your portfolio.

Target reference number

Por1

Year target was set
2021

Portfolio
Investing (Asset manager)

Product type/Asset class/Line of business
Fixed income
Listed equity

Sectors covered by the target
All sectors

Target type
Portfolio emissions

Target type: Absolute or intensity
Absolute

Scopes included in temperature alignment
<Not Applicable>

Metric (or target numerator if intensity)
tCO2e

Target denominator
<Not Applicable>

Base year
2020

Figure in base year
369000

Percentage of portfolio emissions covered by the target
100

Monetary metric for portfolio coverage (unit currency as reported in C0.4)
Assets under management

Percentage of portfolio covered by the target, using a monetary metric
100

Frequency of target reviews
Semi-annually

Interim target year
2025

Figure in interim target year
258300

Target year
2030

Figure in target year
184500

Figure in reporting year
314000

% of target achieved relative to base year [auto-calculated]
29.810298102981

Aggregation weighting used
<Not Applicable>

Proportion of portfolio emissions calculated in the reporting year based on asset level data
0.94

Proportion of the temperature score calculated in the reporting year based on company targets
<Not Applicable>

Target status in reporting year
Underway

Is this a science-based target?
Yes, we consider this a science-based target, and we have committed to seek validation of this target by the Science-based target initiative in the next two years

Target ambition
1.5°C aligned

Please explain target coverage and identify any exclusions
In 2021 and 2022, the Responsible investment team of Desjardins Global Asset Management (DGAM) used the SBTi approaches, including Sectoral Decarbonization Approach (SDA), SBTi Finance Temperature Scoring and Portfolio Coverage, to calculate the science based targets of the portfolio of listed equity and fixed income. The targets using these approaches will be validated by the SBTi in the coming months. To facilitate the communication of our progress to our members and clients and in accordance to DGAM's commitment to the Net Zero Asset Managers Initiative (NZAMI), the required reduction has been translated into absolute portfolio emissions reduction of 30% in 2025 and 50% in 2030 with 2020 as the base year.

C4.2

(C4.2) Did you have any other climate-related targets that were active in the reporting year?

Net-zero target(s)
Other climate-related target(s)

C4.2b

(C4.2b) Provide details of any other climate-related targets, including methane reduction targets.

Target reference number
Oth 1

Year target was set
2018

Target coverage
Company-wide

Target type: absolute or intensity
Intensity

Target type: category & Metric (target numerator if reporting an intensity target)

Other, please specify	Other, please specify (Difference between the Weighted Average Carbon Intensity (WACI) of our investments in publicly traded securities and the average of the companies that make up the stock and bond market indexes)

Target denominator (intensity targets only)
Other, please specify (WACI of the companies that make up the stock and bond market indexes)

Base year
2017

Figure or percentage in base year
2.9

Target year
2020

Figure or percentage in target year
25

Figure or percentage in reporting year
40

% of target achieved relative to base year [auto-calculated]
167.873303167421

Target status in reporting year
Achieved

Is this target part of an emissions target?
No

Is this target part of an overarching initiative?
No, it's not part of an overarching initiative

Please explain target coverage and identify any exclusions
In support of the Paris Agreement's climate targets, we set a decarbonization target designed to reduce the carbon intensity of our own investments to 25% below the benchmark indexes as at December 31, 2020. In the target year, we have not only achieved but surpassed this target, at 32% below the benchmark indexes. We have decided to maintain this target in 2022 and our intensity was 40% below the benchmark indexes. This target remains in effect until we set new ones. Maintaining this level of performance will require constant work, as society—and the benchmark indexes representative of the economy—moves toward a lower-carbon economy.

Plan for achieving target, and progress made to the end of the reporting year
<Not Applicable>

List the actions which contributed most to achieving this target
The target was and continuous to be achieved through continuous and thorough tracking of our performance versus benchmark indexes along with shareholder engagement practices.

Target reference number
Oth 2

Year target was set
2021

Target coverage
Company-wide

Target type: absolute or intensity
Absolute

Target type: category & Metric (target numerator if reporting an intensity target)

Green finance	Other, please specify (% share of renewables in Desjardins's lending to energy corporations)

Target denominator (intensity targets only)
<Not Applicable>

Base year
2020

Figure or percentage in base year
28

Target year
2025

Figure or percentage in target year
35

Figure or percentage in reporting year
40

% of target achieved relative to base year [auto-calculated]
171.428571428571

Target status in reporting year
Achieved

Is this target part of an emissions target?
This target is part of Desjardins's action plan to achieve net zero emissions by 2040 in its extended operations and in its lending activities and own investments in three key carbon-intensive sectors: energy, transportation and real estate.

Is this target part of an overarching initiative?
No, it’s not part of an overarching initiative

Please explain target coverage and identify any exclusions
Desjardins has a 2025 commitment to increase its support for the renewable energy sector by boosting the share allocated to renewables in its lending to energy corporations from 28% in 2020 to 35% in 2025.

Plan for achieving target, and progress made to the end of the reporting year
<Not Applicable>

List the actions which contributed most to achieving this target
This target will be achieved through the identification of lending opportunities in renewable energy sector companies and projects.

Target reference number
Oth 3

Year target was set
2021

Target coverage
Company-wide

Target type: absolute or intensity
Absolute

Target type: category & Metric (target numerator if reporting an intensity target)

Green finance	Other, please specify (Building an investment portfolio in renewable energy infrastructure of $ 2 billion by 2025)

Target denominator (intensity targets only)
<Not Applicable>

Base year
2020

Figure or percentage in base year
1.2

Target year
2025

Figure or percentage in target year
2

Figure or percentage in reporting year
1.7

% of target achieved relative to base year [auto-calculated]
62.5

Target status in reporting year
Underway

Is this target part of an emissions target?
This target is part of Desjardins's action plan to achieve net zero emissions by 2040 in its extended operations and in its lending activities and own investments in three key carbon-intensive sectors: energy, transportation and real estate.

Is this target part of an overarching initiative?

No, it’s not part of an overarching initiative

Please explain target coverage and identify any exclusions
Desjardins has a 2025 commitment to increase its support for the renewable energy sector by building a $2 billion investment portfolio in renewable energy infrastructure (an increase of 66% over our $1.2B portfolio in 2020).

Plan for achieving target, and progress made to the end of the reporting year
This target will be achieved through the identification of investment opportunities in renewable energy sector companies and projects.

List the actions which contributed most to achieving this target
<Not Applicable>

Target reference number
Oth 4

Year target was set
2021

Target coverage
Company-wide

Target type: absolute or intensity
Absolute

Target type: category & Metric (target numerator if reporting an intensity target)

Green finance	Other, please specify (Green project finance)

Target denominator (intensity targets only)
<Not Applicable>

Base year
2020

Figure or percentage in base year
0

Target year
2025

Figure or percentage in target year
6

Figure or percentage in reporting year
2

% of target achieved relative to base year [auto-calculated]
33.3333333333333

Target status in reporting year
Underway

Is this target part of an emissions target?
This target is part of Desjardins's action plan to achieve net zero emissions by 2040 in its extended operations and in its lending activities and own investments in three key carbon-intensive sectors: energy, transportation and real estate.

Is this target part of an overarching initiative?
No, it’s not part of an overarching initiative

Please explain target coverage and identify any exclusions
Desjardins has a 2025 commitment to increase its support for the renewable energy sector by providing financial support to five additional projects (for a total of 6 in 2025) to convert organic waste (largely from agriculture) into renewable energy (biomethanization).

Plan for achieving target, and progress made to the end of the reporting year
This target will be achieved through the identification of lending opportunities in biomethanization projects. Desjardins lending teams analyze and evaluate investment opportunities in biomethanization project through its large network of agriculture, organic waste and renewable energy client companies.

List the actions which contributed most to achieving this target
<Not Applicable>

Target reference number
Oth 5

Year target was set
2021

Target coverage
Company-wide

Target type: absolute or intensity
Absolute

Target type: category & Metric (target numerator if reporting an intensity target)

Engagement with suppliers	Other, please specify (Number of suppliers engaged)

Target denominator (intensity targets only)

<Not Applicable>

Base year
2020

Figure or percentage in base year
0

Target year
2025

Figure or percentage in target year
100

Figure or percentage in reporting year
0

% of target achieved relative to base year [auto-calculated]
0

Target status in reporting year
Underway

Is this target part of an emissions target?
This target is part of Desjardins's action plan to achieve net zero emissions by 2040 in its extended operations and in its lending activities and own investments in three key carbon-intensive sectors: energy, transportation and real estate.

Is this target part of an overarching initiative?
No, it’s not part of an overarching initiative

Please explain target coverage and identify any exclusions
Desjardins has a 2025 commitment to work with 100 key suppliers to gradually reduce the carbon footprint of its supply chain. Desjardins also recently updated its procurement policy to include ESG factors.

Plan for achieving target, and progress made to the end of the reporting year
In 2021, Desjardins began work to calculate Desjardins scope 3 emissions in the supply chain by suppliers. Following this initial calculation, a materiality and prioritization analysis was conducted and the key suppliers were identified. In 2022, work to refine the initial emissions calculations is underway as well as the supplier onboarding and engagement strategy. Our teams are utilizing data purchased through CDP Investor Dashboard service to gather actual emissions and estimate unreported emissions.

List the actions which contributed most to achieving this target
<Not Applicable>

Target reference number
Oth 6

Year target was set
2021

Target coverage
Company-wide

Target type: absolute or intensity
Absolute

Target type: category & Metric (target numerator if reporting an intensity target)

Other, please specify	Other, please specify (Percentage of employees that have completed sustainable development training)

Target denominator (intensity targets only)
<Not Applicable>

Base year
2020

Figure or percentage in base year
0

Target year
2023

Figure or percentage in target year
85

Figure or percentage in reporting year
93

% of target achieved relative to base year [auto-calculated]
109.411764705882

Target status in reporting year
Achieved

Is this target part of an emissions target?
This target is part of Desjardins's action plan to achieve net zero emissions by 2040 in its extended operations and in its lending activities and own investments in three key carbon-intensive sectors: energy, transportation and real estate.

Is this target part of an overarching initiative?
No, it’s not part of an overarching initiative

Please explain target coverage and identify any exclusions
Desjardins has set a 2025 commitment to training its employees on the principles of sustainable development so they can better support Desjardins's 7.5 million members and clients. By 2023, 85% of nearly 58,000 Desjardins's employees will have completed this mandatory training. We rolled out several different trainings, including a mandatory training on responsible finance, and launched our Climate School. Employees who design or sell responsible investing products will receive specific training to help them get the word out to their clientele.

Plan for achieving target, and progress made to the end of the reporting year
<Not Applicable>

List the actions which contributed most to achieving this target
Our teams have developed in 2021 the training materials. Since it was launched as a mandatory training in Q1 2022. An internal communication campaign along with easy access to the training materials enabled the organization to meet this target.

C4.2c

(C4.2c) Provide details of your net-zero target(s).

Target reference number
NZ1

Target coverage
Company-wide

Absolute/intensity emission target(s) linked to this net-zero target
Abs1
Abs2

Target year for achieving net zero
2040

Is this a science-based target?
Yes, we consider this a science-based target, and we have committed to seek validation of this target by the Science Based Targets initiative in the next two years

Please explain target coverage and identify any exclusions
Desjardins Group has announced an ambitious action plan to achieve net zero emissions by 2040 in its extended operations (Scope 1 and 2, and part of scope 3, including key suppliers) and in its lending activities and own investments in three key carbon-intensive sectors: energy, transportation and real estate. These sectors represented in 2018 73% of Canada's GHG emissions. This long-term ambition was further refined in 2021. A five-year plan in support of this long-term ambition has been announced and includes the other targets presented in the C4.2b section from Oth 2 to Oth 6.

Desjardins will seek validation of this net zero target s by the SBTi in the coming years.

Do you intend to neutralize any unabated emissions with permanent carbon removals at the target year?
Yes

Planned milestones and/or near-term investments for neutralization at target year
Desjardins's main focus is first to achieve its five-year targets to mitigate emissions as much as possible by 2040. Activities and decisions to support the first five-year plan are underway and future five-year targets will be announced in the coming years. The focus will always be to support emissions reduction from lending, investment, base and extended operations. However, Desjardins also plans to increase its carbon credit purchases to offset residual emissions closer to the target date. An illustration of this approach can be found on page 15 of our Climate Action report https://www.desjardins.com/ressources/pdf/d50-groupe-travail-info-changements-climatiques-GIFCC-2021-e.pdf

Planned actions to mitigate emissions beyond your value chain (optional)
As the largest financial cooperative in Canada, Desjardins is engaged to support emissions reduction beyond its value chain as opportunities become available and by supporting and fostering partnerships with key stakeholders. For a list of our partnerships committed to climate action, please visit page 30 of our 2021 Social and cooperative responsibility report https://www.desjardins.com/ressources/pdf/d50-rapport-sociale-2021-e.pdf?resVer=1649965999000

C4.3

(C4.3) Did you have emissions reduction initiatives that were active within the reporting year? Note that this can include those in the planning and/or implementation phases.
Yes

C4.3a

(C4.3a) Identify the total number of initiatives at each stage of development, and for those in the implementation stages, the estimated CO2e savings.

	Number of initiatives	Total estimated annual CO2e savings in metric tonnes CO2e (only for rows marked *)
Under investigation		
To be implemented*	1	780
Implementation commenced*	1	7
Implemented*	2	302
Not to be implemented		

C4.3b

(C4.3b) Provide details on the initiatives implemented in the reporting year in the table below.

Initiative category & Initiative type

Energy efficiency in buildings	Heating, Ventilation and Air Conditioning (HVAC)

Estimated annual CO2e savings (metric tonnes CO2e)
2

Scope(s) or Scope 3 category(ies) where emissions savings occur
Scope 1

Voluntary/Mandatory
Voluntary

Annual monetary savings (unit currency – as specified in C0.4)
6000

Investment required (unit currency – as specified in C0.4)
4000

Payback period
<1 year

Estimated lifetime of the initiative
>30 years

Comment
At the Caisse de Rouyn-Noranda, we used continuous commissioning (CCx) of ventilation, heating and air conditioning (HVAC) systems. The CCx ensures that the operation of the HVAC equipment is optimized and efficient on a continuous basis and thus adapts to the changing operation of the building. As the ventilation units run on natural gas, optimizing their operation has reduced natural gas consumption, reducing GHG emissions.

Initiative category & Initiative type

Company policy or behavioral change	Site consolidation/closure

Estimated annual CO2e savings (metric tonnes CO2e)
300

Scope(s) or Scope 3 category(ies) where emissions savings occur
Scope 1
Scope 2 (location-based)

Voluntary/Mandatory
Voluntary

Annual monetary savings (unit currency – as specified in C0.4)
510000

Investment required (unit currency – as specified in C0.4)
0

Payback period
<1 year

Estimated lifetime of the initiative
3-5 years

Comment
At Desjardins, with the evolution of working methods, the optimization of our office spaces has enabled us to implement a plan to reduce our corporate spaces by 1.1M ft2 until 2027, including 220,000 ft2 in 2022. This reduction in office spaces has reduced energy consumption and total rent which translates into monetary savings and GHG emissions reductions.

C4.3c

(C4.3c) What methods do you use to drive investment in emissions reduction activities?

Method	Comment
Internal price on carbon	The Sustainability and Responsible Finance Team communicates the cost of carbon based on the costs of our carbon neutrality commitment, measured through our purchase of carbon offsets. These costs are calculated on an annual basis and communicated when and where appropriate to business units that handle projects that could have a significant impact on our carbon footprint. In 2022, the price was $16 per metric ton of CO2 equivalent. This price of carbon influences decision-making and investment in projects with a significant impact on our carbon footprint (e.g., paper procurement).
Dedicated budget for other emissions reduction activities	Desjardins Real Estate team is dedicated to improving energy efficiency and lowering Desjardin's carbon footprint. In support of Desjardins's 2040 climate ambition, in 2020, our real estate team developed a general approach for the energy management of the buildings that includes a series of pilot projects and potential initiatives that will support the further decarbonization of our building portfolio. This plan includes a proposed budget for capital expenditures including building retrofits and further renewable energy purchases. This approach is being refined and reviewed by our internal experts and stakeholders.
Employee engagement	Desjardins organizes numerous activities for employees in the spring to encourage them to adopt active transportation. For the past seven years, kiosks have been set up every May (except in 2020 due to the pandemics) at our corporate offices in three cities in Canada, offering information on our alternative transportation program, local organizations that promote active mobility, and free bicycle tune-ups. Our Alternative Transportation Program encourages employees to use other means of transportation than travelling alone by car. The program is available to employees in our main employment hubs (Lévis, Montréal, Québec City, Toronto, Mississauga and Aurora). Due to the pandemic, more than 80% of our employees were working from home as of mid-March 2020. This change had a considerable effect on the number of program participants. In partnership with AddÉnergie and Hydro-Québec, we continued to install electric charging stations at caisse and credit union locations across Quebec and eastern Ontario. To date, more than 300 charging stations have been installed.

C-FS4.5

(C-FS4.5) Do any of your existing products and services enable clients to mitigate and/or adapt to the effects of climate change?

Yes

C-FS4.5a

(C-FS4.5a) Provide details of your existing products and services that enable clients to mitigate and/or adapt to climate change, including any taxonomy used to classify the products(s).

Product type/Asset class/Line of business

Investing	Listed Equity

Taxonomy or methodology used to classify product

Internally classified

Description of product

The Desjardins SocieTerra Funds and SocieTerra Portfolios use several strategies to take part in the transition to a low-carbon economy. These focus on:
• Cutting how much we invest in high-carbon companies;
• Considering environmental issues in all investments;
• Significantly lowering the carbon footprint;
• Investing with a focus on environmental solutions;
• Implementing constructive dialogue with businesses to improve their practices.
Since 2020, all Desjardins SocieTerra Funds and Portfolios are 100% free of oil production and pipeline holdings, reducing the exposure of these investment products to fossil fuel producers and specialized transporters from 5% to 0%.

The SocieTerra Portfolios and Funds use many responsible investment strategies, including exclusion screening, environmental, social and governance integration, thematic investing and, shareholder engagement. As of December 31, 2022, SocieTerra has $7.4 billion in assets under management.

We measure the estimated carbon intensity of organizations that the Desjardins Funds invest in compared to similar organizations. Below the results as of December 31, 2022:
• Desjardins SocieTerra Positive Change Fund -75%
• Desjardins SocieTerra Diversity Fund -84%
• Desjardins SocieTerra Global Opportunities Fund -46%
• Desjardins SocieTerra International Equity Fund 1%
• Desjardins SocieTerra American Equity Fund -77%
• Desjardins SocieTerra Canadian Equity Fund -52%
• Desjardins SocieTerra Cleantech Fund -13%
• Desjardins SocieTerra Emerging Markets Equity Fund -84%
• Desjardins SocieTerra Canadian Equity Income Fund -67%
• Desjardins SocieTerra American Small Cap Equity Fund 4%
• Desjardins SocieTerra International Small Cap Equity Fund -88%
• Desjardins SocieTerra Low Volatility Global Equity Fund -70%
• Desjardins SocieTerra Global Dividend Fund -52%
Source : Calculated using data from MSCI ESG ©2022 MSCI ESG Research LLC.

The Desjardins SocieTerra Cleantech Fund invests in companies that earn at least 50% of their income from the sale of environmental products or services in four key areas: energy; water; waste and resource recovery; and sustainable food, agriculture and forestry.

Product enables clients to mitigate and/or adapt to climate change

Mitigation

Portfolio value (unit currency – as specified in C0.4)

7400000000

% of total portfolio value
20

Type of activity financed/insured or provided
Green buildings and equipment
Low-emission transport
Renewable energy
Nature-based solutions

Product type/Asset class/Line of business

Investing	Fixed Income

Taxonomy or methodology used to classify product
Externally classified using other taxonomy or methodology, please specify (Green Bond Principles (ICMA) and Social Bond Principles (ICMA) and Sustainability Bond Guidelines (ICMA))

Description of product
In September 2021, we made our debut issue of $500 million in sustainable bonds. Moody's ESG Solutions, an independent firm, gave our framework their highest rating, "Advanced." The extremely positive market response to this issuance created value for our members and clients and speaks to our approach's high standards and relevance. Desjardins issues sustainable bonds to raise capital that will help finance projects with a positive impact. Institutional investors (e.g., pension funds, asset managers) buy Desjardins's sustainable bonds—a guaranteed investment with regular returns. Institutional investors include sustainable bonds in the responsible investment and savings products they offer members and clients (like SocieTerra funds). With the money raised from sustainable bonds, Desjardins finances projects that benefit communities and the environment. We select the projects carefully, using very strict criteria approved by a recognized external assessment firm. Communities benefit thanks to projects that help people and the planet. Members and clients earn returns on their savings while supporting projects that match their values.

As of December, 31st 2021, our sustainable bond represented 2% of Desjardins's total portfolio of bonds.

Product enables clients to mitigate and/or adapt to climate change
Mitigation

Portfolio value (unit currency – as specified in C0.4)
500000000

% of total portfolio value
2

Type of activity financed/insured or provided
Green buildings and equipment
Renewable energy
Nature-based solutions
Fortified buildings
Other, please specify (clean transportation, flood prevention, energy efficiency, circular systems, forest reforestation)

Product type/Asset class/Line of business

Banking	Retail loans

Taxonomy or methodology used to classify product
Internally classified

Description of product
Desjardins promotes energy efficiency through its Green Homes Program, which offers advantageous financing conditions and cash-back for the construction, purchase, or green renovation of energy-efficient homes. It further encourages its individual and business clients to opt for energy-efficient alternatives with its green option for vehicle loans and insurance (for energy efficient, hybrid and electric vehicles), rebates on insurance premiums for energy-efficient buildings, and the largest offering of responsible investment products in Canada.

As of December 31st 2022, the outstanding amount of our green loans represents 0.1% of our total outstanding amount of our residential mortgages and vehicles loans.

Product enables clients to mitigate and/or adapt to climate change
Mitigation

Portfolio value (unit currency – as specified in C0.4)
133900000

% of total portfolio value
0.1

Type of activity financed/insured or provided
Green buildings and equipment
Low-emission transport
Renewable energy
Fortified buildings

Product type/Asset class/Line of business

Investing	Listed Equity

Taxonomy or methodology used to classify product
Internally classified

Description of product
Low-carbon Exchange Traded Funds (ETFs)
Desjardins offers a range of responsible investment ETFs that specifically address climate change. These ETFs build their portfolios using a rigorous selection process that chooses companies with practices that emphasize social responsibility and respect for the environment.
Desjardins RI ETFs – Low CO2
These ETFs offer portfolios with carbon intensity that are intended to be 25% lower than their corresponding market indexes, by excluding securities from the companies in each sector with the highest carbon intensity. This target is in line with the commitments made by Desjardins to combat climate change.
Desjardins RI Global Multifactor ETF – Fossil Fuel Reserves Free
This ETF offers the rare opportunity to invest with no exposure to the traditional energy sector (coal, gas, oil). It excludes all companies in the fossil fuel industry and uses a filter to screen out any businesses that hold fossil fuel reserves.
Here is the list of available RI ETFs that address climate change:

Desjardins RI Active Canadian Bond - Low CO2 ETF (Canada)
Desjardins RI Canada - Low CO2 Index ETF (Canada)
Desjardins RI Canada Multifactor - Low CO2 ETF (Canada)
Desjardins RI Developed ex-USA ex-Canada Low CO2 Index ETF (Canada)
Desjardins RI Developed ex-USA ex-Canada Multifactor - Low CO2 ETF (Canada)
Desjardins RI Emerging Markets Low CO2 Index ETF (Canada)
Desjardins RI Emerging Markets Multifactor - Low CO2 ETF (Canada)
Desjardins RI USA - Low CO2 Index ETF (Canada)
Desjardins RI USA Multifactor - Low CO2 ETF (Canada)
Desjardins RI Global Multifactor - Fossil Fuel Reserves Free ETF (Canada)

As of December 31, 2022, 65,6% of total ETF assets from Desjardins are in Low-carbon Exchange Traded Funds (ETFs).

Product enables clients to mitigate and/or adapt to climate change
Mitigation

Portfolio value (unit currency – as specified in C0.4)
789639689

% of total portfolio value
65.6

Type of activity financed/insured or provided
Other, please specify (Diversified ETF with low carbon footprints)

Product type/Asset class/Line of business

Investing	Fixed Income

Taxonomy or methodology used to classify product
Internally classified

Description of product
For our members and clients who prefer stable investments, our Priority Terra lineup of Market-Linked Guaranteed Investments (MLGI) offers 100% guaranteed capital through thematic investment including renewable energy companies.
As of December 31 202, the Priority Terra lineup represents 7% of total assets under management of market-linked guaranteed investments (MLGI).

Product enables clients to mitigate and/or adapt to climate change
Mitigation

Portfolio value (unit currency – as specified in C0.4)
2345900000

% of total portfolio value
7

Type of activity financed/insured or provided
Renewable energy

C5. Emissions methodology

C5.1

(C5.1) Is this your first year of reporting emissions data to CDP?
No

C5.1a

(C5.1a) Has your organization undergone any structural changes in the reporting year, or are any previous structural changes being accounted for in this disclosure of emissions data?

Row 1

Has there been a structural change?
No

Name of organization(s) acquired, divested from, or merged with
<Not Applicable>

Details of structural change(s), including completion dates
<Not Applicable>

C5.1b

(C5.1b) Has your emissions accounting methodology, boundary, and/or reporting year definition changed in the reporting year?

	Change(s) in methodology, boundary, and/or reporting year definition?	Details of methodology, boundary, and/or reporting year definition change(s)
Row 1	No	<Not Applicable>

C5.2

(C5.2) Provide your base year and base year emissions.

Scope 1

Base year start
January 1 2020

Base year end
December 31 2020

Base year emissions (metric tons CO2e)
6935

Comment
In 2022, more precise data were available to estimate the total energy consumption and the distribution of energy sources consumed for this category of buildings changing the total emission for scope 1 from 8 188 tco2e to 6 935 tCO2e for the year 2020.

In 2021, the way we define the scope for our building-related GHG emissions changed. Scopes 1 and 2 only include emissions of buildings over which we have operational control (ones used or occupied by Desjardins employees), while Scope 3 includes emissions of buildings that are direct investments and not under our operational control (Scope 3, category 15 in the GHG Protocol). The scoping around transportation and paper use is the same as before.
Annual emissions are calculated for the following time periods: From January 1, 2020, to December 31, 2020, for Ozone-Depleting Substances (ODS), business travel and paper consumption, and October 1, 2019, to September 30, 2020, for energy consumption (Scope 1+2) for buildings. Scope 1 emissions include fuel combustion-related emissions from our employee occupied buildings & vehicles (operational control).

Scope 2 (location-based)

Base year start
October 1 2019

Base year end
September 30 2020

Base year emissions (metric tons CO2e)
2261

Comment
In 2022, more precise data were available to estimate the total energy consumption and the distribution of energy sources consumed for this category of buildings changing the total emission for scope 2 from 1 844 to 2 261 tCO2e.

In 2021, the way we define the scope for our building-related GHG emissions changed. Scopes 1 and 2 only include emissions of buildings over which we have operational control (ones used or occupied by Desjardins employees), while Scope 3 includes emissions of buildings that are direct investments and not under our operational control (Scope 3, category 15 in the GHG Protocol). The scoping around transportation and paper use is the same as before.
Annual emissions are calculated for the following time periods: From January 1, 2020, to December 31, 2020, for Ozone-Depleting Substances (ODS), business travel and paper consumption, and October 1, 2019, to September 30, 2020, for energy consumption (Scope 1+2) for buildings. Scope 2 emissions include electricity consumption-related emissions from our employee occupied buildings.

Scope 2 (market-based)

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 1: Purchased goods and services

Base year start
January 1 2020

Base year end
December 31 2020

Base year emissions (metric tons CO2e)
11553

Comment
No changes were made to this category from previously reported data.

Company-wide paper consumption is tracked, broken down by recycled content grade (0%, 30%, 50% and 100% recycled). The total weight is then converted into GHG emissions using emission factors from the Environmental Paper Network (https://c.environmentalpaper.org/). Most of the paper we consume comes directly from our main suppliers. However, we had to estimate paper consumption for the Caisses network for the portion of paper provided by other suppliers (no data available). This estimate is extrapolated based on the ratio (total quantity of paper sourced by the Caisses) / (percentage of Caisses that have accounts with our main suppliers).

Scope 3 category 2: Capital goods

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 3: Fuel-and-energy-related activities (not included in Scope 1 or 2)

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 4: Upstream transportation and distribution

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 5: Waste generated in operations

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 6: Business travel

Base year start
January 1 2020

Base year end
December 31 2020

Base year emissions (metric tons CO2e)
3477

Comment
No changes were made to this category from previously reported data.

Emissions related to business travel includes rental car, personal car, bus, train and airplane travel.
- Rental vehicles: we calculated fuel consumption for rental vehicles by compiling the total amount spent on fuel in Canadian dollars and converted it to litres using the average cost of fuel. Rental vehicles are assumed to run on gasoline.
- Personal cars: we determined the total distance travelled by converting mileage costs claimed by employees. We then converted the total number of kilometres to litres based on an average fuel consumption rating by vehicle types including electric and hybrid cars. Desjardins has included in its expense report a section for electric and hybrid cars to identify the mileage costs for those categories.
- Air travel: travel data was obtained from our travel agency and include flight segments and distance travelled in kilometres. Flight segments were converted to metric tons of CO2e using emission factors.
- Rail travel: data was provided by VIA Rail. CO2 emissions were calculated by multiplying kilometres travelled by emission factors.
- Bus travel: Since data on business travel by intercity bus is difficult to obtain from suppliers and represents a small percentage of GHG emissions from travel (less than 0.05%), it has been excluded from our 2020 emissions.

GHG emissions were calculated by multiplying fossil fuel volumes by Canadian emission factors.

Scope 3 category 7: Employee commuting

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 8: Upstream leased assets

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 9: Downstream transportation and distribution

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 10: Processing of sold products

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 11: Use of sold products

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 12: End of life treatment of sold products

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 13: Downstream leased assets

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 14: Franchises

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3: Other (upstream)

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3: Other (downstream)

Base year start
January 1 2020

Base year end
December 31 2020

Base year emissions (metric tons CO2e)
1849000

Comment
Scope 3: Other correspond to category 15-Investments, in other words, our financed emissions that are also reported in section C.14. Portfolio of this questionnaire.

C5.3

(C5.3) Select the name of the standard, protocol, or methodology you have used to collect activity data and calculate emissions.
The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)

C6. Emissions data

C6.1

(C6.1) What were your organization's gross global Scope 1 emissions in metric tons CO2e?

Reporting year

Gross global Scope 1 emissions (metric tons CO2e)
5404

Start date
January 1 2022

End date
December 31 2022

Comment

Past year 1

Gross global Scope 1 emissions (metric tons CO2e)
6144

Start date
January 1 2021

End date
December 31 2021

Comment
In 2022 the 2021 year data was updated. Fossil fuel consumption in buildings under Desjardins's operational control has decreased from 6938 tco2e to 5685 tco2e from the recalculation of the energy consumption in corporate sites leased by Desjardins.More precise data were available to estimate the total energy consumption and the distribution of energy sources consumed for this category of buildings changing the total emission for scope 1 from 6620 tco2e to 6144 tco2e.

Past year 2

Gross global Scope 1 emissions (metric tons CO2e)
6935

Start date
January 1 2020

End date
December 31 2020

Comment
In 2022 the 2020 year data was updated. Fossil fuel consumption in buildings under Desjardins's operational control has decreased from 6938 tco2e to 5685 tco2e from the recalculation of the energy consumption in corporate sites leased by Desjardins.More precise data were available to estimate the total energy consumption and the distribution of energy sources consumed for this category of buildings changing the total emission for scope 1 from 8188 tco2e to 6935 tco2e.

Past year 3

Gross global Scope 1 emissions (metric tons CO2e)

Start date

End date

Comment

C6.2

(C6.2) Describe your organization's approach to reporting Scope 2 emissions.

Row 1

Scope 2, location-based
We are reporting a Scope 2, location-based figure

Scope 2, market-based
We have operations where we are able to access electricity supplier emission factors or residual emissions factors, but are unable to report a Scope 2, market-based figure

Comment

C6.3

(C6.3) What were your organization's gross global Scope 2 emissions in metric tons CO2e?

Reporting year

Scope 2, location-based
1218

Scope 2, market-based (if applicable)
<Not Applicable>

Start date
January 1 2022

End date
December 31 2022

Comment
Note: Reporting periods: October 1, 2021 to September 30, 2022 for building energy data

Past year 1

Scope 2, location-based
1267

Scope 2, market-based (if applicable)
<Not Applicable>

Start date
October 1 2020

End date
September 30 2021

Comment
In 2022, the 2021 year data was updated. Steam and electricity consumption of buildings under Desjardins's operational control has decreased from 1303 tco2e to 1267 tco2e from the recalculation of the energy consumption in corporate sites leased by Desjardins. More precise data were available to estimate the total energy consumption and the distribution of energy sources consumed for this category of buildings changing the total emission for scope 2.

Past year 2

Scope 2, location-based
2261

Scope 2, market-based (if applicable)
<Not Applicable>

Start date
October 1 2019

End date
September 30 2020

Comment
In 2022, the 2020 year data was updated. Steam and electricity consumption of buildings under Desjardins's operational control has increased from 1844 tco2e to 2261 tco2e from the recalculation of the energy consumption in corporate sites leased by Desjardins. More precise data were available to estimate the total energy consumption and the distribution of energy sources consumed for this category of buildings changing the total emission for scope 2.

Past year 3

Scope 2, location-based

Scope 2, market-based (if applicable)
<Not Applicable>

Start date

End date

Comment

C6.4

(C6.4) Are there any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1, Scope 2 or Scope 3 emissions that are within your selected reporting boundary which are not included in your disclosure?

No

C6.5

(C6.5) Account for your organization's gross global Scope 3 emissions, disclosing and explaining any exclusions.

Purchased goods and services

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO2e)

8298

Emissions calculation methodology

Waste-type-specific method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Please explain

Company-wide paper consumption is tracked, broken down by recycled content grade (0%, 30%, 50% and 100% recycled). The total weight is then converted into GHG emissions using emission factors from the Environmental Paper Network (https://c.environmentalpaper.org/). Most of the paper we consume comes directly from our main suppliers. However, we had to estimate paper consumption for the Caisses network for the portion of paper provided by other suppliers (no data available). This estimate is extrapolated based on the ratio (total quantity of paper sourced by the Caisses) / (percentage of Caisses that have accounts with our main suppliers).

Capital goods

Evaluation status

Not evaluated

Emissions in reporting year (metric tons CO2e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

Desjardins's scope 3 emissions are currently being reviewed to improve our reporting methodology.

Fuel-and-energy-related activities (not included in Scope 1 or 2)

Evaluation status

Not evaluated

Emissions in reporting year (metric tons CO2e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

Desjardins's scope 3 emissions are currently being reviewed to improve our reporting methodology.

Upstream transportation and distribution

Evaluation status

Not evaluated

Emissions in reporting year (metric tons CO2e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

Desjardins's scope 3 emissions are currently being reviewed to improve our reporting methodology.

Waste generated in operations

Evaluation status
Relevant, calculated

Emissions in reporting year (metric tons CO2e)

Emissions calculation methodology
Waste-type-specific method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

Please explain
We track emissions from paper consumption and its end-of-life (as the emissions factors from the Environmental Paper Network are for the full lifecycle) and we report these emissions in Category 1: Purchased goods and services as it corresponds to purchased paper. Other waste generated in our operations is partly tracked. We plan to further develop the calculation for this category in the future.

Business travel

Evaluation status
Relevant, calculated

Emissions in reporting year (metric tons CO2e)
4518

Emissions calculation methodology
Fuel-based method
Distance-based method

Percentage of emissions calculated using data obtained from suppliers or value chain partners
100

Please explain
Emissions related to business travel includes rental car, personal car, bus, train and airplane travel.
- Rental vehicles: we calculated fuel consumption for rental vehicles by compiling the total amount spent on fuel in Canadian dollars and converted it to litres using the average cost of fuel. Rental vehicles are assumed to run on gasoline.
- Personal cars: we determined the total distance travelled by converting mileage costs claimed by employees. We then converted the total number of kilometres to litres based on an average fuel consumption rating by vehicle types including electric and hybrid cars. Desjardins has included in its expense report a section for electric and hybrid cars to identify the mileage costs for those categories.
- Air travel: travel data was obtained from our travel agency and include flight segments and distance travelled in kilometres. Flight segments were converted to metric tons of CO2e using emission factors.
- Rail travel: data was provided by VIA Rail. CO2 emissions were calculated by multiplying kilometres travelled by emission factors.
- Bus travel: Since data on business travel by intercity bus is difficult to obtain from suppliers and represents a small percentage of GHG emissions from travel (less than 0.05%), it has been excluded from our 2020 emissions.
The data collection process is being revised for 2021. GHG emissions were calculated by multiplying fossil fuel volumes by Canadian emission factors.

Employee commuting

Evaluation status
Relevant, not yet calculated

Emissions in reporting year (metric tons CO2e)
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Please explain
Desjardins's scope 3 emissions are currently being reviewed to improve our reporting methodology. Employee commuting emissions calculations progressed in 2022 as part of an analysis to estimate other emissions changes as a result of the COVID-19 pandemic. A new sustainable mobility program is to be implemented in 2023 to better understand the modes of transportation of our employees.

Upstream leased assets

Evaluation status
Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Please explain
In 2021, the way we define the scope for our building-related GHG emissions changed. Scopes 1 and 2 only include emissions of buildings over which we have operational control (ones used or occupied by Desjardins employees), while Scope 3 includes emissions of buildings that are direct investments and not under our operational control (Scope 3, category 15 in the GHG Protocol). This means that emissions from leased offices occupied by our employees, which were reported under this category in previous years, are now part of our scopes 1 and 2 emissions.

Downstream transportation and distribution

Evaluation status
Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Please explain
Transportation and distribution are paid by Desjardins. As per the GHG Protocol, it is included in Category 4.

Processing of sold products

Evaluation status
Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Please explain
No products sold by Desjardins are processed before reaching customers.

Use of sold products

Evaluation status
Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Please explain
For Desjardins, emissions from this category are generated by card terminals installed in participating stores. GHG emissions from those terminals are linked to the electricity production in Quebec (with about 99% of this electricity coming from renewables). Given the number of terminals and the very low emission factor of the electricity used, this category is not considered significant (less than 0,5% of our emissions based on our estimates).

End of life treatment of sold products

Evaluation status
Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Please explain
For Desjardins, emissions from this category are mainly linked to the end-of-life of paper distributed to customers. We calculated a rough estimate based on the mass of distributed paper collected for recycling and or sent to landfill, using provincial average data. Emission factors from Ecoinvent 3.2 were used to determine GHG emissions. Terminals and plastic cards end-of-life was deemed negligible based on estimates. Based on this estimate, this category is not considered significant (less than 0,6% of our emissions).

Downstream leased assets

Evaluation status
Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Please explain
Desjardins owns investment property that is leased out to third parties. The emissions from this property are included in category 15: Investments.

Franchises

Evaluation status
Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Please explain
Desjardins does not sell franchises.

Other (upstream)

Evaluation status
Not evaluated

Emissions in reporting year (metric tons CO2e)
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Please explain
No other upstream GHG emissions identified

Other (downstream)

Evaluation status
Relevant, calculated

Emissions in reporting year (metric tons CO2e)
1735000

Emissions calculation methodology
Please select

Percentage of emissions calculated using data obtained from suppliers or value chain partners

Please explain
Scope 3: Other correspond to category 15-Investments, in other words, our financed emissions that are also reported in section C.14. Portfolio of this questionnaire.

C6.5a

(C6.5a) Disclose or restate your Scope 3 emissions data for previous years.

Past year 1

Start date
January 1 2021

End date
December 31 2021

Scope 3: Purchased goods and services (metric tons CO2e)
7989

Scope 3: Capital goods (metric tons CO2e)

Scope 3: Fuel and energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e)

Scope 3: Upstream transportation and distribution (metric tons CO2e)

Scope 3: Waste generated in operations (metric tons CO2e)

Scope 3: Business travel (metric tons CO2e)
1636

Scope 3: Employee commuting (metric tons CO2e)

Scope 3: Upstream leased assets (metric tons CO2e)

Scope 3: Downstream transportation and distribution (metric tons CO2e)

Scope 3: Processing of sold products (metric tons CO2e)

Scope 3: Use of sold products (metric tons CO2e)

Scope 3: End of life treatment of sold products (metric tons CO2e)

Scope 3: Downstream leased assets (metric tons CO2e)

Scope 3: Franchises (metric tons CO2e)

Scope 3: Investments (metric tons CO2e)
<Not Applicable>

Scope 3: Other (upstream) (metric tons CO2e)

Scope 3: Other (downstream) (metric tons CO2e)
1814000

Comment
Scope 3: Other correspond to category 15-Investments, in other words, our financed emissions that are also reported in section C.14. Portfolio of this questionnaire

Past year 2

Start date
January 1 2020

End date
December 31 2020

Scope 3: Purchased goods and services (metric tons CO2e)
11553

Scope 3: Capital goods (metric tons CO2e)

Scope 3: Fuel and energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e)

Scope 3: Upstream transportation and distribution (metric tons CO2e)

Scope 3: Waste generated in operations (metric tons CO2e)

Scope 3: Business travel (metric tons CO2e)
3477

Scope 3: Employee commuting (metric tons CO2e)

Scope 3: Upstream leased assets (metric tons CO2e)

Scope 3: Downstream transportation and distribution (metric tons CO2e)

Scope 3: Processing of sold products (metric tons CO2e)

Scope 3: Use of sold products (metric tons CO2e)

Scope 3: End of life treatment of sold products (metric tons CO2e)

Scope 3: Downstream leased assets (metric tons CO2e)

Scope 3: Franchises (metric tons CO2e)

Scope 3: Investments (metric tons CO2e)
<Not Applicable>

Scope 3: Other (upstream) (metric tons CO2e)

Scope 3: Other (downstream) (metric tons CO2e)
1849000

Comment
Scope 3: Other correspond to category 15-Investments, in other words, our financed emissions that are also reported in section C.14. Portfolio of this questionnaire

Past year 3

Start date

End date

Scope 3: Purchased goods and services (metric tons CO2e)
16252

Scope 3: Capital goods (metric tons CO2e)

Scope 3: Fuel and energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e)

Scope 3: Upstream transportation and distribution (metric tons CO2e)

Scope 3: Waste generated in operations (metric tons CO2e)

Scope 3: Business travel (metric tons CO2e)
10608

Scope 3: Employee commuting (metric tons CO2e)

Scope 3: Upstream leased assets (metric tons CO2e)

Scope 3: Downstream transportation and distribution (metric tons CO2e)

Scope 3: Processing of sold products (metric tons CO2e)

Scope 3: Use of sold products (metric tons CO2e)

Scope 3: End of life treatment of sold products (metric tons CO2e)

Scope 3: Downstream leased assets (metric tons CO2e)

Scope 3: Franchises (metric tons CO2e)

Scope 3: Investments (metric tons CO2e)
<Not Applicable>

Scope 3: Other (upstream) (metric tons CO2e)

Scope 3: Other (downstream) (metric tons CO2e)

Comment

C6.10

(C6.10) Describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tons CO2e per unit currency total revenue and provide any additional intensity metrics that are appropriate to your business operations.

Intensity figure
3.04e-7

Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)
6622

Metric denominator
unit total revenue

Metric denominator: Unit total
21798000000

Scope 2 figure used
Location-based

% change from previous year
16

Direction of change
Decreased

Reason(s) for change
Other, please specify

Please explain
The previous year (2021) intensity was recalculated as a result to emissions recalculation resulting in 0.000000363 tCO2e/$CAD.

Intensity figure
0.11

Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)
6622

Metric denominator
full time equivalent (FTE) employee

Metric denominator: Unit total
58774

Scope 2 figure used
Location-based

% change from previous year
18

Direction of change
Decreased

Reason(s) for change
Other, please specify

Please explain
The previous year (2021) intensity was recalculated as a result to emissions recalculation resulting in 0.14 tCO2e/FTE.

Intensity figure
0.00449

Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)
6622

Metric denominator
square meter

Metric denominator: Unit total
1473826

Scope 2 figure used
Location-based

% change from previous year
11

Direction of change
Decreased

Reason(s) for change
Other, please specify

Please explain
The previous year (2021) intensity was recalculated as a result to emissions recalculation resulting in 0.00502 tCO2e/m2.

C7. Emissions breakdowns

C7.7

(C7.7) Is your organization able to break down your emissions data for any of the subsidiaries included in your CDP response?

Not relevant as we do not have any subsidiaries

C7.9

(C7.9) How do your gross global emissions (Scope 1 and 2 combined) for the reporting year compare to those of the previous reporting year?

Decreased

C7.9a

(C7.9a) Identify the reasons for any change in your gross global emissions (Scope 1 and 2 combined), and for each of them specify how your emissions compare to the previous year.

	Change in emissions (metric tons CO2e)	Direction of change in emissions	Emissions value (percentage)	Please explain calculation
Change in renewable energy consumption	49.2	Decreased	1	Our electricity consumption decreased in 2022, as a result of energy efficiency programs but also due to our employees mostly working from home and which resulted in several sites permanently closing or reducing in-person operations for most of the year. This figure represents the total annual emissions reduction of our scope 2. About 95% of our electricity consumed in our buildings comes from renewable energy sources. Most of our corporate sites and branches are situated in the provinces of Quebec and Ontario where the electricity mix includes a significant portion of renewable energy and the emission factors are very low when compared to other provinces in Canada. All in all, electricity emissions reduced by 49 tonnes in 2022 which represent a 1% annual decrease of the total scopes 1 and 2 emissions from 2021.
Other emissions reduction activities	429	Decreased	6	The kilometers travelled by the automobiles owned by Desjardins increased slightly in 2022 compared to 2021, resulting in an emission increase of 92 tonnes of CO2 equivalent. In the same way, the Desjardins shuttle service (operating four days/week from Lévis to Montréal) was reinstated all year in 2022 resulting in an emission increase of 89 tonnes of CO2 equivalent. Our emissions from mostly natural gas but also building fuel consumption (propane, diesel, fuel oil) decreased by 610 tonnes CO2 equivalent in 2022. This change is mainly linked to a decrease in consumption in multiple sites as a result of the COVID-19 pandemic. The total reduction from the points mentioned above adds up to 429 tonnes of CO2 equivalent which constitute a 6% of the total scopes 1 and 2 emissions from 2021.
Divestment		<Not Applicable>		
Acquisitions		<Not Applicable>		
Mergers		<Not Applicable>		
Change in output		<Not Applicable>		
Change in methodology		<Not Applicable>		
Change in boundary		<Not Applicable>		
Change in physical operating conditions		<Not Applicable>		
Unidentified		<Not Applicable>		
Other	311	Decreased	4	Lower ozone-depleting substances (ODS) were reported in 2022 which accounted for a total of 74 tonnes of CO2 equivalent, 311 tonnes lower than the 385 tonnes reported in 2021. Desjardins has made repairs to all the equipment responsible for the leaks which resulted in many fewer leaks for 2022. This emission reduction represent a 1% annual decrease of the total scopes 1 and 2 emissions from 2021.

C7.9b

(C7.9b) Are your emissions performance calculations in C7.9 and C7.9a based on a location-based Scope 2 emissions figure or a market-based Scope 2 emissions figure?

Location-based

C8. Energy

C8.1

(C8.1) What percentage of your total operational spend in the reporting year was on energy?

More than 0% but less than or equal to 5%

C8.2

(C8.2) Select which energy-related activities your organization has undertaken.

	Indicate whether your organization undertook this energy-related activity in the reporting year
Consumption of fuel (excluding feedstocks)	Yes
Consumption of purchased or acquired electricity	Yes
Consumption of purchased or acquired heat	No
Consumption of purchased or acquired steam	No
Consumption of purchased or acquired cooling	No
Generation of electricity, heat, steam, or cooling	No

C8.2a

(C8.2a) Report your organization's energy consumption totals (excluding feedstocks) in MWh.

	Heating value	MWh from renewable sources	MWh from non-renewable sources	Total (renewable and non-renewable) MWh
Consumption of fuel (excluding feedstock)	HHV (higher heating value)	0	24569.21	24569.21
Consumption of purchased or acquired electricity	<Not Applicable>	277357.13	13972.96	291330.08
Consumption of purchased or acquired heat	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Consumption of purchased or acquired steam	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Consumption of purchased or acquired cooling	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Consumption of self-generated non-fuel renewable energy	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Total energy consumption	<Not Applicable>	277357.13	38548.14	315905.27

C8.2g

(C8.2g) Provide a breakdown by country/area of your non-fuel energy consumption in the reporting year.

Country/area
Canada

Consumption of purchased electricity (MWh)
291188.38

Consumption of self-generated electricity (MWh)

Is this electricity consumption excluded from your RE100 commitment?
<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)

Consumption of self-generated heat, steam, and cooling (MWh)

Total non-fuel energy consumption (MWh) [Auto-calculated]
<Calculated field>

Country/area
United States of America

Consumption of purchased electricity (MWh)
111.37

Consumption of self-generated electricity (MWh)

Is this electricity consumption excluded from your RE100 commitment?
<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)

Consumption of self-generated heat, steam, and cooling (MWh)

Total non-fuel energy consumption (MWh) [Auto-calculated]
<Calculated field>

Country/area
France

Consumption of purchased electricity (MWh)
30.34

Consumption of self-generated electricity (MWh)

Is this electricity consumption excluded from your RE100 commitment?
<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)

Consumption of self-generated heat, steam, and cooling (MWh)

Total non-fuel energy consumption (MWh) [Auto-calculated]
<Calculated field>

C9. Additional metrics

C9.1

(C9.1) Provide any additional climate-related metrics relevant to your business.

Description
Waste

Metric value
2936.33

Metric numerator
Total residual waste (in metric tons)

Metric denominator (intensity metric only)

% change from previous year
9

Direction of change
Increased

Please explain
Our overall waste generation increased by 9% due to the return of our employees on site and an increase in our recycled and composted matters. Since we operate in the financial services sector, we can easily limit our production of hazardous waste to less than 1%. Hazardous waste is managed in compliance with all applicable legislation.

Description
Waste

Metric value
75.2

Metric numerator
2208

Metric denominator (intensity metric only)
2936.33

% change from previous year
1.9

Direction of change
Increased

Please explain
Increased in recycled or composted matters, in 2021 we recycled or composted 73.8% of our matters. In 2022, 75.2%.

C10. Verification

C10.1

(C10.1) Indicate the verification/assurance status that applies to your reported emissions.

	Verification/assurance status
Scope 1	Third-party verification or assurance process in place
Scope 2 (location-based or market-based)	Third-party verification or assurance process in place
Scope 3	Third-party verification or assurance process in place

C10.1a

(C10.1a) Provide further details of the verification/assurance undertaken for your Scope 1 emissions, and attach the relevant statements.

Verification or assurance cycle in place
Annual process

Status in the current reporting year
Complete

Type of verification or assurance
Limited assurance

Attach the statement
d50-rapport-certification-2022-e.pdf

Page/ section reference
1-2 & 5-7

Relevant standard
ISAE 3410

Proportion of reported emissions verified (%)
100

C10.1b

(C10.1b) Provide further details of the verification/assurance undertaken for your Scope 2 emissions and attach the relevant statements.

Scope 2 approach
Scope 2 location-based

Verification or assurance cycle in place
Annual process

Status in the current reporting year
Complete

Type of verification or assurance
Limited assurance

Attach the statement
d50-rapport-certification-2022-e.pdf

Page/ section reference
1-2; 5; 7

Relevant standard
ISAE 3410

Proportion of reported emissions verified (%)
100

C10.1c

(C10.1c) Provide further details of the verification/assurance undertaken for your Scope 3 emissions and attach the relevant statements.

Scope 3 category
Scope 3: Purchased goods and services
Scope 3: Business travel
Scope 3: Investments

Verification or assurance cycle in place
Annual process

Status in the current reporting year
Complete

Type of verification or assurance
Limited assurance

Attach the statement
d50-rapport-certification-2022-e.pdf

Page/section reference
1-2; 5; 7-8

Relevant standard
ISAE 3410

Proportion of reported emissions verified (%)
100

C10.2

(C10.2) Do you verify any climate-related information reported in your CDP disclosure other than the emissions figures reported in C6.1, C6.3, and C6.5?

No, but we are actively considering verifying within the next two years

C11. Carbon pricing

C11.2

(C11.2) Has your organization canceled any project-based carbon credits within the reporting year?

Yes

C11.2a

(C11.2a) Provide details of the project-based carbon credits canceled by your organization in the reporting year.

Project type

Landfill gas

Type of mitigation activity

Carbon removal

Project description

The project consists of voluntarily capturing and destroying the biogas produced by the closed sanitary landfill (LES) of Roland-Thibault Inc. located in Ste-Cécile-de-MIlton. Biogas is mainly recovered to produce electricity inside a congenerating plant, but can also, depending on the situation, be burned by an invisible flame flare. The project meets the requirements for registration in the EcoProject GHG register. Biogas capture project at a former waste disposal site which, without Terreau's initiative, would release methane into the atmosphere. Methane is not only captured but is used to produce renewable energy (electricity) sold to Hydro Quebec. The Granby landfill was in operation between 1954 and 2008 to receive residual materials from the region. This site had no legal obligation to capture biogas. Terreau Biogaz built a 3MW cogeneration plant to produce this renewable energy, Terreau drilled wells and built a biogas plant.

Credits canceled by your organization from this project in the reporting year (metric tons CO2e)

17340

Purpose of cancellation

Voluntary offsetting

Are you able to report the vintage of the credits at cancellation?

Yes

Vintage of credits at cancellation

2019

Were these credits issued to or purchased by your organization?

Purchased

Credits issued by which carbon-crediting program

Other private carbon crediting program, please specify (CSA Group)

Method(s) the program uses to assess additionality for this project

Consideration of legal requirements

Approach(es) by which the selected program requires this project to address reversal risk

Monitoring and compensation

Potential sources of leakage the selected program requires this project to have assessed

Upstream/downstream emissions

Provide details of other issues the selected program requires projects to address

All the communities where the projects are carried out receive part of the benefits of the projects. This money paid by Terreau to the community aims to create and pursue local initiatives in the field of the fight against climate change or the proper management of residual materials in the territory.

Comment

Project type

Waste management

Type of mitigation activity

Carbon removal

Project description

The AIM Environmental Group Inc. (AIM) Hamilton Central Composting Facility is an aerobic composting project located in Hamilton, Ontario. AIM focuses on converting organic waste from three municipal collection sites into quality compost products. The composting facility serves the City of Hamilton, Halton Region, County Simcoe Regional Green Bin Program and Waterloo.

Credits canceled by your organization from this project in the reporting year (metric tons CO2e)

10000

Purpose of cancellation
Voluntary offsetting

Are you able to report the vintage of the credits at cancellation?
Yes

Vintage of credits at cancellation
2016

Were these credits issued to or purchased by your organization?
Purchased

Credits issued by which carbon-crediting program
Other private carbon crediting program, please specify (CSA Group)

Method(s) the program uses to assess additionality for this project
Consideration of legal requirements

Approach(es) by which the selected program requires this project to address reversal risk
Monitoring and compensation

Potential sources of leakage the selected program requires this project to have assessed
Upstream/downstream emissions
Activity-shifting

Provide details of other issues the selected program requires projects to address
AIM is focused on improving local and global communities. AIM sees this as a joint effort, and encourages giving back to the community in various ways; such as sponsoring local food programs, sports programs and agricultural events, as well as helping less fortunate regions in developing countries. The company continues to seek opportunities in this area for the betterment of society and the global village.

Comment

Project type
Afforestation

Type of mitigation activity
Carbon removal

Project description
The Great Bear Rainforest is home to the largest intact coastal temperate rainforest remaining in the world. The resources of the Great Bear are vast and valuable to Coastal First Nations, environmental groups, forest companies and governments. Together, these groups have adopted an Ecosystem Based Management (EBM) approach that values the forest not as a source of lumber alone, but as a balanced system that sustains biodiversity and an enriched community.
Without offset funds, the protected areas would not have been established and forestry harvest levels would not have been reduced. The project is unique in that it is the only Improved Forest Management project of its scale that has equal involvement with the First Nations and the BC Government, strong legal and policy foundations, and robust data to support the quantification of ecosystem services. This is not simply a conservation project; it is a model for sustainable development in an economically valuable but ecologically and culturally vulnerable area.

Credits canceled by your organization from this project in the reporting year (metric tons CO2e)
6212

Purpose of cancellation
Voluntary offsetting

Are you able to report the vintage of the credits at cancellation?
Yes

Vintage of credits at cancellation
2017

Were these credits issued to or purchased by your organization?
Purchased

Credits issued by which carbon-crediting program
Other regulatory carbon crediting program, please specify (BC Emissions Offet Regulation (grandfathered under the provisions of the BC Greenhouse Gas Industrial Reporting and Controls Act))

Method(s) the program uses to assess additionality for this project
Consideration of legal requirements
Positive lists

Approach(es) by which the selected program requires this project to address reversal risk
Monitoring and compensation

Potential sources of leakage the selected program requires this project to have assessed
Upstream/downstream emissions
Activity-shifting

Provide details of other issues the selected program requires projects to address
Returning forest management to the Coastal First Nations addresses longstanding concerns about new employment at home for First Nations in the Great Bear region. Revenue flowing into the communities creates long-term economic opportunities in areas with very high unemployment. Money from the sale of carbon offsets goes through two channels: stewardship and community development:
1. Stewardship.
• Majority of the funds goes towards stewardship jobs for the First Nations—the monitoring of the carbon program
• Funding scientific research
2. Community Development. Some revenue from offset sales support community initiatives; some include:
• Youth programs and summer camps
• Supports Guardian Watchmen program
o Monitor and protect lands and waters on their territory

o Employ resource technicians, fisheries guardians, park rangers and community watchmen
o Bear safety program – education program in the community to reduce attractants and educate on safe bear behaviour
• Renovated Elder (senior) centre
o open space for luncheons and other gatherings
o includes private rooms for medical check-ups and private events
• Built a youth centre
o Contains washer/dryer so they can do laundry (can't do this at home due to overcrowding or lack of washer/dryer)
o Safe place to study
Beyond the climate benefits from the carbon sequestered from the forest, the project protects the forest and its inhabitants. The Great Bear Rainforest is the largest intact coastal temperate rainforest in the world. The forest contains the Spirit Bear (Kermode Bear—a rare subspecies of the American black bear with white fur), grizzly bears, cougars, wolves, salmon runs, etc.

Comment

C11.3

(C11.3) Does your organization use an internal price on carbon?
Yes

C11.3a

(C11.3a) Provide details of how your organization uses an internal price on carbon.

Type of internal carbon price
Implicit price

How the price is determined
Price/cost of voluntary carbon offset credits

Objective(s) for implementing this internal carbon price
Change internal behavior
Drive energy efficiency
Stakeholder expectations

Scope(s) covered
Scope 1
Scope 2
Scope 3 (upstream)
Scope 3 (downstream)

Pricing approach used – spatial variance
Uniform

Pricing approach used – temporal variance
Evolutionary

Indicate how you expect the price to change over time
Our internal carbon pricing, for the time being, is directly linked to the voluntary carbon credit market. We expect an increase based on pricing projections provided to us by our credit suppliers and historical trends.

Actual price(s) used – minimum (currency as specified in C0.4 per metric ton CO2e)
16

Actual price(s) used – maximum (currency as specified in C0.4 per metric ton CO2e)
16

Business decision-making processes this internal carbon price is applied to
Procurement

Mandatory enforcement of this internal carbon price within these business decision-making processes
Yes, for some decision-making processes, please specify (Carbon price is calculated on an annual basis and communicated when and where appropriate to business units that handle projects that could have a significant impact on our carbon footprint.)

Explain how this internal carbon price has contributed to the implementation of your organization's climate commitments and/or climate transition plan
The Sustainability and Responsible finance team communicates the cost of carbon based on the costs of our carbon neutrality commitment, measured through our purchase of carbon offsets. These costs are calculated on an annual basis and communicated when and where appropriate to business units that handle projects that could have a significant impact on our carbon footprint. The internal price on carbon is also linked to the offsets Desjardins buys each year to ensure its carbon neutrality.
The internal price on carbon went from $14 in 2021 to approximately $16 in 2022 per tonne of CO2e, representing a 13% increase. This variance is linked to the change of the weighted average price of carbon credits in the projects included in our offset portfolio for the year 2022. This price of carbon influences decision-making and investment in projects with a significant impact on our carbon footprint (e.g., paper procurement).

C12. Engagement

C12.1

(C12.1) Do you engage with your value chain on climate-related issues?

Yes, our suppliers
Yes, our customers/clients
Yes, our investees

C12.1a

(C12.1a) Provide details of your climate-related supplier engagement strategy.

Type of engagement
Information collection (understanding supplier behavior)

Details of engagement
Other, please specify (ESG / climate screening during the RFx process)

% of suppliers by number
13.9

% total procurement spend (direct and indirect)
55

% of supplier-related Scope 3 emissions as reported in C6.5
0

Rationale for the coverage of your engagement
Suppliers are targeted through the RFx process managed by Procurement. Potential and current suppliers are evaluated as part of the competitive bidding process. Strategic sourcing initiatives generally target significant spending categories, which leads to most major suppliers being targeted regularly.

Impact of engagement, including measures of success
Given our purchasing volume and the number of partners we do business with, we're aware of the influence we have with our suppliers. To encourage efficient and transparent communication, we publish our Supplier Code of Conduct (see: https://www.desjardins.com/ca/about-us/supplier-centre/ethics-compliance/), which sets out expectations in the following areas: ethics, governance, human rights, workplace health and safety, environment, overall performance, and continuous improvement. All our suppliers commit to respecting the Supplier Code of Conduct, including our expectation regarding GHG management ("Desjardins expects its suppliers to implement actions to reduce greenhouse gas emissions."). We've standardized our supplier sustainability and social responsibility assessments. All our suppliers now have to answer a single questionnaire that covers environmental, social and governance (ESG) factors. Based on the answers, we assign each supplier an ESG score. We consider this score, along with factors based on our cooperative and sustainability values, in their overall assessment.In 2022, we assessed the sustainability (including specific questions regarding climate change) of 329 suppliers (13.9%) and purchased over $1.7 billion in products and services from them (55% of our spend). Since standardizing this process in 2016, we've assessed more businesses every year using our standard sustainability criteria.

Comment
We're always looking for new ways to improve our approach to responsible procurement. Our procurement sector has set continuous improvement goals to better incorporate the principles of sustainability and cooperation into our purchasing practices. In 2020, we adopted a new responsible procurement rule based on our procurement policy. Regardless of the nature or value of the goods or services being purchased, our goal is to ensure that procurement decisions follow sound financial management principles and incorporate sustainability considerations. As a socioeconomic leader, we give priority to goods and services that are located as close as possible to our physical locations, provided that all other competitive bidding conditions have been met. In 2022, we purchased $3.1 billion in products and services from 2,359 suppliers, the vast majority of which are based in Canada or operate in Canada.

C-FS12.1b

(C-FS12.1b) Give details of your climate-related engagement strategy with your clients.

Type of clients
Customers/clients of Banks

Type of engagement
Information collection (understanding client behavior)

Details of engagement
Collect climate change and carbon information at least annually from long-term clients

% client-related Scope 3 emissions as reported in C-FS14.1a
0

Portfolio coverage (total or outstanding)
11.5

Rationale for the coverage of your engagement
Other, please specify (Engagement with large businesses)

Impact of engagement, including measures of success
We consider climate change in lending decisions and when files are reviewed annually by using an ESG evaluation grid customized by industry (used since 2020 for large businesses, i.e., 11.5% of our outstanding loans to corporate clients, with gradual integration towards smaller businesses started in 2021).
The completion of this grid paired with discussions on ESG/climate-related topics with our clients leads to a better awareness and understanding of the climate risks and opportunities, maturity and actual/potential commitments of our clients.

Type of clients
Customers/clients of Banks

Type of engagement
Engagement & incentivization (changing client behavior)

Details of engagement
Offer financial incentives for clients who reduce your downstream emissions (Scope 3) and/or exposure to carbon-related assets

% client-related Scope 3 emissions as reported in C-FS14.1a
50

Portfolio coverage (total or outstanding)
100

Rationale for the coverage of your engagement
Non-targeted engagement

Impact of engagement, including measures of success
As a financial institution, most of our climate impact is linked to downstream emissions (financed emissions through our investments and loans, insured buildings and vehicles, etc.).
We engage with our retail clients by providing them with financial products that both allow them to reduce their climate impact and reward them for reducing their energy consumption and greenhouse gas emissions. We offer incentives for financing and insuring green homes and hybrid, electric and other low-emission vehicles. We also offer incentives for our members who want to renovate their home to improve its energy efficiency.
We continually review and enhance our product line to ensure that it meets the expectations of our members and clients.
As of December 31, 2022, these incentives are applicable to 100% of our motor vehicle loans (only cars, $4.5B outstanding) and our mortgage's line of business ($126B outstanding), representing 50% of our financed GHG emissions reported in FS14.1a.
Other incentives for corporate clients are currently at different stages of development and details will be provided in future CDP reports as the information becomes available.

Type of clients
Clients of Asset Managers (Asset owners)

Type of engagement
Education/information sharing

Details of engagement
Run an engagement campaign to educate clients about your climate change performance and strategy
Share information about your products and relevant certification schemes (i.e. Energy STAR)
Provide asset owner clients with information and analytics on net zero investing and climate risk and opportunity

% client-related Scope 3 emissions as reported in C-FS14.1a
18.1

Portfolio coverage (total or outstanding)
100

Rationale for the coverage of your engagement
Non-targeted engagement

Impact of engagement, including measures of success
Building on its core organizational values and long-standing commitment to RI, Desjardins has given itself the mission to be the Canadian financial institution most involved in RI education and democratization. To fulfill this mission, Desjardins built its 2022 responsible investment education campaign to increase awareness and inform about responsible investment through various media, including newspaper articles and TV interviews. Measures of success included the number of reaches, impressions, views, and engagement. Moreover, Desjardins developed an informational session on net zero investing for advisors, members and clients, which was presented to over 500 individuals.

We're a leader in responsible investment (RI) in Canada with more than 70 RI savings products and nearly $12.4 billion in RI assets under management as at December 31, 2022. SocieTerra Funds and Portfolios are some of our main products. They aim to offer attractive return potential while benefiting communities and the planet. All 28 of our SocieTerra Funds and Portfolios have been oil- and pipeline-free since June 2020. Desjardins Funds are a wide range of investment funds that stand out for their innovative investment solutions, including the SocieTerra responsible investment offering. Desjardins Investments also engages its retail clients through its annual report on responsible investment that provides a precise view of the ESG performance and carbon intensity of SocieTerra funds. As of December 31, 2022, SocieTerra has $7,4 billion in assets under management.

As part of DGAM engagement and voting activities, DGAM assess corporate strategy on climate change from a number of angles: As part of our engagement and voting activities, we assess corporate strategy on climate change from a number of angles:
• Robust governance structure to oversee the integration and deployment of the climate change strategy.
• Transparent, detailed disclosure of GHG emissions.
• Adherence to a recognized reporting structure.
• Net-zero emissions by 2050, with short- and medium-term reduction targets.
• Executive compensation tied to measurable results
• Low-carbon economy transition plan and development of new green technologies.

Type of clients
Customers/clients of Insurers

Type of engagement
Engagement & incentivization (changing client behavior)

Details of engagement
Offer financial incentives for clients who reduce your downstream emissions (Scope 3) and/or exposure to carbon-related assets

% client-related Scope 3 emissions as reported in C-FS14.1a
0

Portfolio coverage (total or outstanding)
100

Rationale for the coverage of your engagement
Non-targeted engagement

Impact of engagement, including measures of success

100% of our P&C insurance clients can benefit from products designed to support their transition, with a focus on electric, hybrid, and fuel-efficient vehicles (10% to 20% discount on premiums) and on LEED-certified homes (10% discount).

Type of clients
Customers/clients of Banks

Type of engagement
Collaboration & innovation

Details of engagement
Other, please specify (innovation challenge)

% client-related Scope 3 emissions as reported in C-FS14.1a
0

Portfolio coverage (total or outstanding)
1

Rationale for the coverage of your engagement
Non-targeted engagement

Impact of engagement, including measures of success
Desjardins' innovation team is proactively focusing on sustainability and climate change. Below are two examples of how our efforts took shape in 2022:
- Cooperathon: The Cooperathon is an impact entrepreneur creation platform and the largest open innovation challenge in Canada. Cooperathon connect citizens, communities, entrepreneurs, researchers, academics & large institutions to develop, together, a socially responsible future. In Canada, since 2015, the last seven Cooperathon held more than 580 startups and more than 6 700 participants and the seventh annual Cooperathon held in 2022 featured 50 teams in the following categories: energy, climate change, agrifood and health. Among the winners of the 2022 edition of the Cooperathon, Aqua Preserve complements the use of a 4K underwater camera with intelligence facial recognition to monitor invasive species in lakes and rivers, BioSam developed a proprietary fungus wich could reduce phosphate use and help each wheat producer to save money.
- Powered by Desjardins, Startup in Residence is a human-centered accelerator program focused on helping Canadian startups grow their business through meaningful and extensive coaching and mentoring. Our goal is to get them investment-ready, while also prioritizing on the founders' wellness. In 2022, we launched an ESG call for applications in partnership with Spring Activator (Vancouver) and Mouvement des accélérateurs d'Innovation du Québec (MAIN). The goal was to find impact tech companies that enhances the lives of Canadians by considering environmental, social and governance (ESG) aspects.
Three startups were selected, including one one focusing on an environmental issue :
- Picketa Systems Inc. (New Brunswick) enables farmers to analyze plant tissue in real time to optimize the use of fertilizers, thus limiting massive soil, groundwater pollution and GHG emissions.

C-FS12.1c

(C-FS12.1c) Give details of your climate-related engagement strategy with your investees.

Type of engagement
Information collection (Understanding investee behavior)

Details of engagement
Include climate-related criteria in investee selection / management mechanism
Climate-related criteria is integrated into investee evaluation processes
Collect climate-related and carbon emissions information from new investee companies as part of initial due diligence
Collect climate-related and carbon emissions information at least annually from long-term investees

% scope 3 emissions as reported in C-FS14.1a/C-FS14.1b
18.1

Investing (Asset managers) portfolio coverage

Investing (Asset owners) portfolio coverage
40

Rationale for the coverage of your engagement
Engagement targeted at investees with increased climate-related risks

Impact of engagement, including measures of success
Desjardins Global asset management (DGAM) adheres to UN PRI and support the TCFD recommendations. DGAM has specific objectives to identify ways of integrating climate change issues into investment solutions. DGAM's approach is based on the integration of key materiality ESG risk factors and core principles into company analysis, as well as its corporate engagement program. DGAM's ESG research team is fully dedicated to analyzing industries from a responsible investment point of view based on each sector's key materiality factors derived primarily from the SASB framework. The foundations of our corporate engagement program are also based on these materiality factors in addition to our own list of priority issues, which is reviewed annually by our research team to ensure its relevance and alignment with emerging trends. Climate Change is one of the top six ESG issues on which DGAM focuses its engagement. In 2022, DGAM's dialogue activities continued to increase. In figures, 141 interactions took place, 109 companies met and 32 issues addressed. The top ESG pillar addressed was transitioned to a low-carbon economy (101 occurrences), followed by ensuring governance with strength, integrity and resilience (64 occurrences), development of a fair, equitable and inclusive economy (57 occurrences) and protection of biodiversity and natural capital (17 occurrences). Engagement is used to exercise influence on investees to integrate ESG issues into their strategy and risk management. As an example, for several years, DGAM has been in an ongoing dialogue with a fossil fuel company that, despite good ESG integration into its business model, it seems to have lost momentum in its transition efforts. In response to a shareholder proposal asking the company to set science-based targets and adopt indirect emission targets (Scope 3), we met with management to get a better understanding of its strategy for this year through 2030. The directors explained that accelerating their transition required a radical change of business model, while pointing out that they calculate their indirect emissions and are assessing an alignment strategy. This dialogue led us to conclude that the company’s strategy was not consistent with global best practices and that it could invest more effort in its transition program, which prompted us to vote “for” the proposal. We discussed the balance between maximizing shareholder value and ensuring the company’s sustainability in a low-carbon world.

Type of engagement
Engagement & incentivization (changing investee behavior)

Details of engagement

Exercise active ownership
Support climate-related shareholder resolutions
Support climate-related issues in proxy voting
Implement a stewardship and engagement strategy, with a clear escalation and voting policy, that is consistent with our ambition for all assets under management to achieve net zero emissions by 2050 or sooner
Engagement with 20 investees with a focus on highest emitters or those responsible for 65% of emission in portfolio (either Direct, Collective, or via Asset Manager)
Initiate and support dialogue with investee boards to set Paris-aligned strategies
Encourage better climate-related disclosure practices among investees
Encourage investees to set a science-based emissions reduction target

% scope 3 emissions as reported in C-FS14.1a/C-FS14.1b
18.1

Investing (Asset managers) portfolio coverage

Investing (Asset owners) portfolio coverage
40

Rationale for the coverage of your engagement
Engagement targeted at investees with increased climate-related risks

Impact of engagement, including measures of success
Desjardins Global asset management (DGAM) adheres to UN PRI and support the TCFD recommendations. DGAM has specific objectives to identify ways of integrating climate change issues into investment solutions. DGAM's approach is based on the integration of key materiality ESG risk factors and core principles into company analysis, as well as its corporate engagement program. DGAM's ESG research team is fully dedicated to analyzing industries from a responsible investment point of view based on each sector's key materiality factors derived primarily from the SASB framework. The foundations of our corporate engagement program are also based on these materiality factors in addition to our own list of priority issues, which is reviewed annually by our research team to ensure its relevance and alignment with emerging trends. Climate Change is one of the top six ESG issues on which DGAM focuses its engagement. In 2022, DGAM's dialogue activities continued to increase. In figures, 141 interactions took place, 109 companies met and 32 issues addressed. The top ESG pillar addressed was transitioned to a low-carbon economy (101 occurrences), followed by ensuring governance with strength, integrity and resilience (64 occurrences), development of a fair, equitable and inclusive economy (57 occurrences) and protection of biodiversity and natural capital (17 occurrences). Engagement is used to exercise influence on investees to integrate ESG issues into their strategy and risk management. As an example, for several years, DGAM has been in an ongoing dialogue with a fossil fuel company that, despite good ESG integration into its business model, it seems to have lost momentum in its transition efforts. In response to a shareholder proposal asking the company to set science-based targets and adopt indirect emission targets (Scope 3), we met with management to get a better understanding of its strategy for this year through 2030. The directors explained that accelerating their transition required a radical change of business model, while pointing out that they calculate their indirect emissions and are assessing an alignment strategy. This dialogue led us to conclude that the company’s strategy was not consistent with global best practices and that it could invest more effort in its transition program, which prompted us to vote “for” the proposal. We discussed the balance between maximizing shareholder value and ensuring the company’s sustainability in a low-carbon world.

Type of engagement
Innovation & collaboration (changing markets)

Details of engagement
Carry out collaborative engagements with other investors or institutions

% scope 3 emissions as reported in C-FS14.1a/C-FS14.1b
18.1

Investing (Asset managers) portfolio coverage

Investing (Asset owners) portfolio coverage
40

Rationale for the coverage of your engagement
Engagement targeted at investees with increased climate-related risks

Impact of engagement, including measures of success
Desjardins Global asset management (DGAM) adheres to UN PRI and support the TCFD recommendations. DGAM has specific objectives to identify ways of integrating climate change issues into investment solutions. DGAM's approach is based on the integration of key materiality ESG risk factors and core principles into company analysis, as well as its corporate engagement program. DGAM's ESG research team is fully dedicated to analyzing industries from a responsible investment point of view based on each sector's key materiality factors derived primarily from the SASB framework. The foundations of our corporate engagement program are also based on these materiality factors in addition to our own list of priority issues, which is reviewed annually by our research team to ensure its relevance and alignment with emerging trends. Climate Change is one of the top six ESG issues on which DGAM focuses its engagement. In 2022, DGAM's dialogue activities continued to increase. In figures, 141 interactions took place, 109 companies met and 32 issues addressed. The top ESG pillar addressed was transitioned to a low-carbon economy (101 occurrences), followed by ensuring governance with strength, integrity and resilience (64 occurrences), development of a fair, equitable and inclusive economy (57 occurrences) and protection of biodiversity and natural capital (17 occurrences). Engagement is used to exercise influence on investees to integrate ESG issues into their strategy and risk management. As an example, for several years, DGAM has been in an ongoing dialogue with a fossil fuel company that, despite good ESG integration into its business model, it seems to have lost momentum in its transition efforts. In response to a shareholder proposal asking the company to set science-based targets and adopt indirect emission targets (Scope 3), we met with management to get a better understanding of its strategy for this year through 2030. The directors explained that accelerating their transition required a radical change of business model, while pointing out that they calculate their indirect emissions and are assessing an alignment strategy. This dialogue led us to conclude that the company’s strategy was not consistent with global best practices and that it could invest more effort in its transition program, which prompted us to vote “for” the proposal. We discussed the balance between maximizing shareholder value and ensuring the company’s sustainability in a low-carbon world.

C-FS12.2

(C-FS12.2) Does your organization exercise voting rights as a shareholder on climate-related issues?

	Exercise voting rights as a shareholder on climate-related issues	Primary reason for not exercising voting rights as a shareholder on climate-related issues	Explain why you do not exercise voting rights on climate-related issues
Row 1	Yes	<Not Applicable>	<Not Applicable>

C-FS12.2a

(C-FS12.2a) Provide details of your shareholder voting record on climate-related issues.

Method used to exercise your voting rights as a shareholder
Exercise voting rights directly

How do you ensure your shareholder voting rights are exercised in line with your overall strategy or transition plan?
<Not Applicable>

Percentage of voting disclosed across portfolio
100

Climate-related issues supported in shareholder resolutions
Climate transition plans
Climate-related disclosures
Aligning public policy position (lobbying)
Emissions reduction targets
Board oversight of climate-related issues

Do you publicly disclose the rationale behind your voting on climate-related issues?
Yes, for some

Method used to exercise your voting rights as a shareholder
Exercise voting rights through an external service provider

How do you ensure your shareholder voting rights are exercised in line with your overall strategy or transition plan?
Vote tracking
Review external service provider's climate-related policies
Review external service provider's climate-related performance (e.g. active ownership, proxy voting records)
Include climate-related requirements in requests for proposals
Include climate-related requirements in service provider mandates
Include climate-related requirements in performance indicators and incentive structures

Percentage of voting disclosed across portfolio
100

Climate-related issues supported in shareholder resolutions
Climate transition plans
Climate-related disclosures
Aligning public policy position (lobbying)
Emissions reduction targets
Board oversight of climate-related issues

Do you publicly disclose the rationale behind your voting on climate-related issues?
<Not Applicable>

C12.3

(C12.3) Does your organization engage in activities that could either directly or indirectly influence policy, law, or regulation that may impact the climate?

Row 1

External engagement activities that could directly or indirectly influence policy, law, or regulation that may impact the climate
Yes, we engage directly with policy makers
Yes, our membership of/engagement with trade associations could influence policy, law, or regulation that may impact the climate
Yes, we fund organizations or individuals whose activities could influence policy, law, or regulation that may impact the climate

Does your organization have a public commitment or position statement to conduct your engagement activities in line with the goals of the Paris Agreement?
Yes

Attach commitment or position statement(s)
Cormier_20211019_Commitment.pdf
d50-politique-dd-mvt-2020-e.pdf

Describe the process(es) your organization has in place to ensure that your external engagement activities are consistent with your climate commitments and/or climate transition plan
Our Sustainability and Responsible Finance team is responsible for coordinating our overall climate change strategy and leading Desjardins's efforts in public policy engagement on climate change, thereby ensuring our strategy is consistent with our engagements. The implementation process of our climate change strategy and how we make sure it stays aligned has been audited internally in 2019, with a subsequent action plan implemented until the end of 2021.

Desjardins's Institutional and Government Relations Department (IGRD) covers both governmental and regulatory affairs. As for the governmental affairs, they take part in lobbying activities and ensures that our practices and positions are consistent with our climate-related strategy and compliant with applicable frameworks. The IGRD coordinates or reviews all position papers and other lobbying activities to ensure that they are aligned with our Strategic Priorities, which include the promotion and development of a responsible and sustainable economy. In regards of the regulatory affairs, their role is to keep us informed by engaging closely with regulatory agencies of any new guidelines and regulations around climate risks. Regulatory affairs also ensures that all climate risks guidelines and policies are applied internally within the organization.
Regular touch points are organized with the two teams within IGRD and the sustainability and responsible finance team to ensure proper alignment on climate-change related topics.

In addition to the teams involved, our governance and processes are supporting and ensuring the alignment of our engagement activities with the overall climate strategy:
- Desjardins's Sustainable Development Policy establishes a framework for promoting innovation and sustainability. It specifically addresses that we need to be "Leading by example to influence public policy and encourage businesses and individuals to commit to Sustainable Development and the Just Energy Transition." This commitment to the Paris Agreement and to play our part in reaching its objectives is also highlighted on our website (environment page and statement from our CEO).
- Our ESG steering committee , ESG working groups and the Climate change risk committee might also be consulted to ensure a proper alignment between our activities and policy positions. They are informed on taking part in the engagement activities and the responses to public consultations from governments and regulators.

Primary reason for not engaging in activities that could directly or indirectly influence policy, law, or regulation that may impact the climate
<Not Applicable>

Explain why your organization does not engage in activities that could directly or indirectly influence policy, law, or regulation that may impact the climate
<Not Applicable>

C12.3a

(C12.3a) On what policy, law, or regulation that may impact the climate has your organization been engaging directly with policy makers in the reporting year?

Specify the policy, law, or regulation on which your organization is engaging with policy makers
Desjardins submitted a response to the consultation of the CSA on the Proposed National Instrument NI 51-107 Disclosure of Climate-related Matters.

Category of policy, law, or regulation that may impact the climate
Climate change mitigation

Focus area of policy, law, or regulation that may impact the climate
Climate-related reporting
Transparency requirements

Policy, law, or regulation geographic coverage
National

Country/area/region the policy, law, or regulation applies to
Canada

Your organization's position on the policy, law, or regulation
Support with minor exceptions

Description of engagement with policy makers
Desjardins submitted a response to the consultation of the CSA on the Proposed National Instrument NI 51-107 Disclosure of Climate-related Matters.

Details of exceptions (if applicable) and your organization's proposed alternative approach to the policy, law or regulation
The proposed national instrument was at a high-level aligned with the TCFD framework. However, our perspective was that it felt short of insuring a strong implementation of climate-related disclosure for publicly listed companies. Our key recommendations focused on requiring scenario analysis, a clear climate strategy with a transition plan, as well as GHG emissions for scope 1, 2 and 3 (if material), with the appropriate phasing and proportionality consideration to allow a proper implementation.

Have you evaluated whether your organization's engagement on this policy, law, or regulation is aligned with the goals of the Paris Agreement?
Yes, we have evaluated, and it is aligned

Please explain whether this policy, law or regulation is central to the achievement of your climate transition plan and, if so, how?
This regulation will support our climate strategy by allowing us to obtain better data from our investees, and a clearer understanding of their own transition plans.

Specify the policy, law, or regulation on which your organization is engaging with policy makers
ISSB consultations on its Exposure Drafts IFRS S1 General Requirements for Disclosure of Sustainability related Financial Information and IFRS S2 Climate-related Disclosures

Category of policy, law, or regulation that may impact the climate
Climate change mitigation

Focus area of policy, law, or regulation that may impact the climate
Climate-related reporting
Climate-related targets
Climate transition plans
Emissions – CO2
Transparency requirements
Verification and audits

Policy, law, or regulation geographic coverage
Global

Country/area/region the policy, law, or regulation applies to
<Not Applicable>

Your organization's position on the policy, law, or regulation
Support with minor exceptions

Description of engagement with policy makers
Desjardins participated to this consultation on both IFRS S1 and S2 standards

Details of exceptions (if applicable) and your organization's proposed alternative approach to the policy, law or regulation
Desjardins strongly supports the ISSB's mission to deliver a high-quality global baseline of sustainability disclosures, which includes an initial focus on detailed climate requirements. Our key recommendations focused on a timely publication of the final standards, the inclusion of scope 3 emissions in the standards requirements, a proper alignment with local jurisdictions and regulations.

Have you evaluated whether your organization's engagement on this policy, law, or regulation is aligned with the goals of the Paris Agreement?
Yes, we have evaluated, and it is aligned

Please explain whether this policy, law or regulation is central to the achievement of your climate transition plan and, if so, how?
This regulation will support our climate strategy by allowing us to obtain better data from our investees, members and clients, and therefore better manage the implementation of our transition plan.

Specify the policy, law, or regulation on which your organization is engaging with policy makers
Consultation on Draft Guideline B-15 - Climate risk management of the Office of the Superintendent of Financial Institutions (OSFI)

Category of policy, law, or regulation that may impact the climate
Climate change mitigation

Focus area of policy, law, or regulation that may impact the climate
Climate-related reporting
Climate-related targets
Climate transition plans
Emissions – CO2
Emissions – methane
Emissions – other GHGs
Transparency requirements

Policy, law, or regulation geographic coverage
National

Country/area/region the policy, law, or regulation applies to
Canada

Your organization's position on the policy, law, or regulation
Support with minor exceptions

Description of engagement with policy makers
Desjardins participated to this consultation and provided comments on this draft guideline to the OSFI.

Details of exceptions (if applicable) and your organization's proposed alternative approach to the policy, law or regulation
Desjardins main concerns regarding the guideline were the harmonization with other standards (such as the upcoming IFRS S2) and the need to seek a balance between a timely implementation of the guideline and the limitations of climate-related data and models.

Have you evaluated whether your organization's engagement on this policy, law, or regulation is aligned with the goals of the Paris Agreement?
Yes, we have evaluated, and it is aligned

Please explain whether this policy, law or regulation is central to the achievement of your climate transition plan and, if so, how?
This guideline will support the achievement of our climate transition plan by providing a standardized framework to structure and disclose our climate-related governance, strategy, risk management and metrics.

C12.3b

(C12.3b) Provide details of the trade associations your organization is a member of, or engages with, which are likely to take a position on any policy, law or regulation that may impact the climate.

Trade association
Other, please specify (IBC Insurance Bureau of Canada)

Is your organization's position on climate change policy consistent with theirs?
Consistent

Has your organization attempted to influence their position in the reporting year?

Yes, we publicly promoted their current position

Describe how your organization's position is consistent with or differs from the trade association's position, and any actions taken to influence their position
IBC advocates for better availability of insurance products to help protect Canadians from extreme weather conditions.
Desjardins General Insurance Group (DGIG) has been a leading contributor to The Natural Catastrophes Task Force (NCTF) at IBC. The NCTF has played an important role in helping IBC develop positions it could confidently take to government to address availability and affordability issues for flood insurance. The information provided to governments was partly responsible for the significant federal announcements on flood and disaster mitigation infrastructure funding. It also led to the federal commitment this past fall to create a National Advisory Council on Flood Risk and the working groups that are tasked with addressing flood mapping, indigenous exposure and financial risk/consumer awareness.
IBC has launched Climate Proof Canada, a broad coalition of prominent industry representatives, disaster relief organizations, municipalities, Indigenous organizations, environmental non-government organizations (NGOs) and academic institutions. The coalition is encouraging the federal government to take action now to create a culture of preparedness and build a more disaster-resilient country. Desjardins is an active member of the coalition.
DGIG's President and Chief Operating Officer (COO) sits on the board of the IBC.
In 2021, IBC created the Sustainable Finance Working Group, in which DGIG's COO is a participant. DGIG also actively participated in 2021 in the technical working group on climate disclosure, with a specific focus on promoting TCFD-aligned disclosure for the P&C insurance in Canada and in 2022 in related discussion on climate regulations under consultation.

Funding figure your organization provided to this trade association in the reporting year (currency as selected in C0.4)

Describe the aim of your organization's funding
<Not Applicable>

Have you evaluated whether your organization's engagement with this trade association is aligned with the goals of the Paris Agreement?
Yes, we have evaluated, and it is aligned

Trade association
Other, please specify (CLHIA Canadian Life and Health Insurance Association)

Is your organization's position on climate change policy consistent with theirs?
Consistent

Has your organization attempted to influence their position in the reporting year?
Yes, we publicly promoted their current position

Describe how your organization's position is consistent with or differs from the trade association's position, and any actions taken to influence their position
CLHIA promotes, on behalf of its members, public policies that contribute to the betterment of the Canadian economy and society. This includes informing Canadian financial regulators' work on integrating climate risk to global risk management policies for financial institutions. This position on the fight against climate changes was for instance demonstrated in CLHIA's comments on the Canadian federal budget in 2019: The CLHIA also called on the government to combat climate change, which, it said, poses a unique risk to insurers. "While managing climate change is of interest to many, it is of particular interest to the life and health insurance industry," [CLHIA] said. "We support the government's continued investment in mitigating climate change and look forward to continuing to work with the government on this issue."
Desjardins has an active role on various CLHIA committees that address policy issues, including those on climate change and climate risk management for the financial sector. Our unique nature and our position as a Canadian leader regarding climate change adaptability help inform policy direction at a time where several regulators are attempting to tackle climate change risks while maintaining stability, innovation and competitiveness in the financial sector.
Desjardins Wealth Management and Life & Health Insurance President and CEO is a director of the board of CLHIA, while its CRO sits on the risk management working group. Desjardins group Climate change practice leader also participates to CLHIA climate change working group.

Funding figure your organization provided to this trade association in the reporting year (currency as selected in C0.4)

Describe the aim of your organization's funding
<Not Applicable>

Have you evaluated whether your organization's engagement with this trade association is aligned with the goals of the Paris Agreement?
Yes, we have evaluated, and it is aligned

Trade association
Other, please specify (Sustainable Finance Action Council (SFAC))

Is your organization's position on climate change policy consistent with theirs?
Consistent

Has your organization attempted to influence their position in the reporting year?
Yes, we publicly promoted their current position

Describe how your organization's position is consistent with or differs from the trade association's position, and any actions taken to influence their position
In May 2021, the Government of Canada launched the Sustainable Finance Action Council (SFAC) to help lead the Canadian financial sector towards integrating sustainable finance into standard industry practice. The council's early emphasis is on enhancing climate-related financial disclosures in Canada's private and public sector, aligned with the recommendations of the Task Force on Climate-Related Financial Disclosures. The council's principal mandate is to make recommendations on critical market infrastructure needed to attract and scale sustainable finance in Canada, including: enhanced assessment and disclosure of climate risks and opportunities (Disclosure working group); better access to climate data and analytics (Data working group); and common standards for sustainable and low-carbon investments (Taxonomy working group).
Desjardins's Chief Executive Officer is the senior representative at the SFAC. The Senior manager of the Sustainability and responsible finance team is a member of the Disclosure working group, which supports efforts to introduce mandatory Task Force on Climate-Related Financial Disclosures (TCFD)-aligned climate disclosures in Canada, with the objective of achieving broad coverage across the economy.

Funding figure your organization provided to this trade association in the reporting year (currency as selected in C0.4)

Describe the aim of your organization's funding
<Not Applicable>

Have you evaluated whether your organization's engagement with this trade association is aligned with the goals of the Paris Agreement?
Yes, we have evaluated, and it is aligned

Trade association
Other, please specify (Ecotech Quebec)

Is your organization's position on climate change policy consistent with theirs?

Consistent

Has your organization attempted to influence their position in the reporting year?
Yes, we publicly promoted their current position

Describe how your organization's position is consistent with or differs from the trade association's position, and any actions taken to influence their position
Ecotech Québec is a Quebec clean-tech cluster, whose mission is to mobilize the clean-tech industry around common goals and actions, participate in the "greening" of the economy, and support entrepreneurs in accelerating the design, development, adoption, commercialization and export of clean technologies.
Desjardins is a partner of Ecotech and is part of the Ecotech Financing Task Force, which is mandated to ensure that the financial supply chain corresponds to the needs of agents of the ecosystem, accelerates development of cleantech in Quebec, and identifies and propose alternatives to remedy any gaps. Desjardins backed a number of papers published by Ecotech, such as the position paper on Bill 106 concerning the implementation of the 2030 energy policy and more recently the White paper for a green economy. The Desjardins Sustainability and Responsible Finance Senior Manager is a Board Member.

Funding figure your organization provided to this trade association in the reporting year (currency as selected in C0.4)

Describe the aim of your organization's funding
<Not Applicable>

Have you evaluated whether your organization's engagement with this trade association is aligned with the goals of the Paris Agreement?
Yes, we have evaluated, and it is aligned

Trade association
Other, please specify (Alliance Switch)

Is your organization's position on climate change policy consistent with theirs?
Consistent

Has your organization attempted to influence their position in the reporting year?
Yes, we publicly promoted their current position

Describe how your organization's position is consistent with or differs from the trade association's position, and any actions taken to influence their position
SWITCH is a Quebec-based alliance whose goal is to accelerate the province's transition to a green economy and whose members include business organizations, industry associations and environmental groups.
Desjardins is a partner of the Switch Advisory Committee and contributes to its position papers. Desjardins co-drafted the Switch position paper presented to the Government of Quebec, outlining recommended actions to decrease GHG emissions from the transportation sector. The Desjardins Sustainability and Responsible Finance Senior Manager is a Board Member.

Funding figure your organization provided to this trade association in the reporting year (currency as selected in C0.4)

Describe the aim of your organization's funding
<Not Applicable>

Have you evaluated whether your organization's engagement with this trade association is aligned with the goals of the Paris Agreement?
Yes, we have evaluated, and it is aligned

C12.3c

(C12.3c) Provide details of the funding you provided to other organizations or individuals in the reporting year whose activities could influence policy, law, or regulation that may impact the climate.

Type of organization or individual
International Governmental Organization (IGO)

State the organization or individual to which you provided funding
United Nations Environmental Program - Financial Initiative (UNEP FI)

Funding figure your organization provided to this organization or individual in the reporting year (currency as selected in C0.4)
72000

Describe the aim of this funding and how it could influence policy, law or regulation that may impact the climate
Our funding encompasses the membership to UNEP FI as well as our participation to the TCFD and Climate program.
As a member of the UN PRI, PSI and PRB initiatives, Desjardins is supporting UNEP FI to develop knowledge and advocates for better integration of climate change consideration at the global level, through UN-led initiatives.

Have you evaluated whether this funding is aligned with the goals of the Paris Agreement?
Yes, we have evaluated, and it is aligned

Type of organization or individual
Research organization

State the organization or individual to which you provided funding
ICLR Institute for Catastrophic Loss Reduction

Funding figure your organization provided to this organization or individual in the reporting year (currency as selected in C0.4)
206000

Describe the aim of this funding and how it could influence policy, law or regulation that may impact the climate
The Institute for Catastrophic Loss Reduction (ICLR) is a world-class centre for multidisciplinary disaster prevention research and communication. ICLR was established by Canada's property and casualty (P&C) insurance industry as an independent, not-for-profit research institute affiliated with Western University, London, Ontario. Institute staff and research associates are international leaders in wind and seismic engineering, atmospheric science, risk perception, hydrology, economics, geography, health sciences, public policy and a number of other disciplines.
The Institute's mission is to reduce the loss of life and property caused by severe weather and earthquakes through the identification and support of sustained actions that improve society's capacity to adapt to, anticipate, mitigate, withstand and recover from natural disasters. ICLR is developing knowledge to increase climate resiliency in Canada (for building owners, municipalities, businesses, insurers) and therefore provides inputs to improve policy and regulations at the federal, provincial and municipal

levels.
One of our P&C insurance vice-president is chair of the advisory committee and as such is present to all board of directors' meetings, without voting rights.

Have you evaluated whether this funding is aligned with the goals of the Paris Agreement?
Yes, we have evaluated, and it is aligned

Type of organization or individual
University or other educational institution

State the organization or individual to which you provided funding
Université de Sherbrooke - Responsible Finance Chair

Funding figure your organization provided to this organization or individual in the reporting year (currency as selected in C0.4)
200000

Describe the aim of this funding and how it could influence policy, law or regulation that may impact the climate
Committed to addressing Quebec's challenges, Université de Sherbrooke and Desjardins Group created in 2016 the Desjardins chair in responsible finance, aiming at developing expertise related to the social and environmental impact of financial decisions, and helping the society deal with the issues of responsible management. The donation amount (annual, with an extension signed for the 2022-2027 period) will be used to offer financial support to graduate research students, grant recruitment scholarships, and support other activities such as innovative responsible finance projects that highlight the expertise of both Université de Sherbrooke collaborators and Desjardins Group professionals.
This research might influence policies and regulations aiming to improve climate change considerations (including disclosure) in the financial system.

Have you evaluated whether this funding is aligned with the goals of the Paris Agreement?
Yes, we have evaluated, and it is aligned

Type of organization or individual
University or other educational institution

State the organization or individual to which you provided funding
Centre for intersectoral study and research into the circular economy (CERIEC) of the École de technologie supérieure (ÉTS).

Funding figure your organization provided to this organization or individual in the reporting year (currency as selected in C0.4)
475000

Describe the aim of this funding and how it could influence policy, law or regulation that may impact the climate
In 2020, Desjardins began a partnership in research and development to support the transition to a circular economy. Desjardins made a $2.1M contribution over five years to the Centre for intersectoral study and research into the circular economy (CERIEC) of the École de technologie supérieure (ÉTS) to launch an ecosystem of circular economy acceleration laboratories.
This research might influence policies and regulations aiming to improve circular economy and therefore climate change attenuation and mitigation federal and provincial regulations.

Have you evaluated whether this funding is aligned with the goals of the Paris Agreement?
Yes, we have evaluated, and it is aligned

Type of organization or individual
Non-Governmental Organization (NGO) or charitable organization

State the organization or individual to which you provided funding
Québec Net-Positif

Funding figure your organization provided to this organization or individual in the reporting year (currency as selected in C0.4)
10000

Describe the aim of this funding and how it could influence policy, law or regulation that may impact the climate
Funding to support the first study to focus specifically on corporate climate action, and thereby gain access to representative and exhaustive data on the level of commitment of Quebec companies to climate action, in order to deploy the relevant actions to better support them.
Accompany our account managers and member-companies in accelerating the transition to a low-carbon economy by offering them a series of free training sessions on various related topics.

Have you evaluated whether this funding is aligned with the goals of the Paris Agreement?
Yes, we have evaluated, and it is aligned

Type of organization or individual
Non-Governmental Organization (NGO) or charitable organization

State the organization or individual to which you provided funding
David Suzuki Foundation

Funding figure your organization provided to this organization or individual in the reporting year (currency as selected in C0.4)
109000

Describe the aim of this funding and how it could influence policy, law or regulation that may impact the climate
Supported by over 185,000 supporters in Quebec and nearly 1,000,000 supporters in other Canadian provinces and around the world, the Foundation works to protect natural diversity and our quality of life. Its mission is to achieve, through science, education and the promotion of individual and collective solutions, sustainable development within a generation. The Prix Demain is an ecological project competition for citizens and citizen groups, designed to encourage local action that has a concrete, positive impact on the community. Collective initiatives can provide inspiration at several levels of society

Have you evaluated whether this funding is aligned with the goals of the Paris Agreement?
Yes, we have evaluated, and it is aligned

Type of organization or individual
Non-Governmental Organization (NGO) or charitable organization

State the organization or individual to which you provided funding
Propulsion Québec

Funding figure your organization provided to this organization or individual in the reporting year (currency as selected in C0.4)
50000

Describe the aim of this funding and how it could influence policy, law or regulation that may impact the climate
Support for an organization that catalyzes ecosystem players around concerted projects aimed at positioning Quebec among the world leaders in the development and deployment of these modes of ground transportation, to the benefit of Quebec's economy and environment.

Have you evaluated whether this funding is aligned with the goals of the Paris Agreement?
Yes, we have evaluated, and it is aligned

Type of organization or individual
Non-Governmental Organization (NGO) or charitable organization

State the organization or individual to which you provided funding
BiogasWorld

Funding figure your organization provided to this organization or individual in the reporting year (currency as selected in C0.4)
8000

Describe the aim of this funding and how it could influence policy, law or regulation that may impact the climate
Support the only event entirely dedicated to the renewable natural gas (RNG) industry in Canada. Contribute, via the organization's mission, to accelerating knowledge sharing and the generation of business opportunities to increase the amount of RNG produced in Quebec and elsewhere in the world.

Have you evaluated whether this funding is aligned with the goals of the Paris Agreement?
Yes, we have evaluated, and it is aligned

Type of organization or individual
Non-Governmental Organization (NGO) or charitable organization

State the organization or individual to which you provided funding
Montreal Chamber of Commerce

Funding figure your organization provided to this organization or individual in the reporting year (currency as selected in C0.4)
15000

Describe the aim of this funding and how it could influence policy, law or regulation that may impact the climate
Funding for the strategic forum on ESG issues for companies

Have you evaluated whether this funding is aligned with the goals of the Paris Agreement?
Yes, we have evaluated, and it is aligned

C12.4

(C12.4) Have you published information about your organization's response to climate change and GHG emissions performance for this reporting year in places other than in your CDP response? If so, please attach the publication(s).

Publication
In mainstream reports, incorporating the TCFD recommendations

Status
Complete

Attach the document
d50-rapport-annuel-mcd-2022-t4-e.pdf

Page/Section reference
p.15; 33-34; 49 (regulators); 54 (ESG highlights); 97 (main risks section); 104 (risk management governance); 135-136 (TCFD summary).

Content elements
Governance
Strategy
Risks & opportunities
Emission targets

Comment
Annual report, incorporating TCFD key elements, as well as the risk management governance and climate risk descriptions.
https://www.desjardins.com/ressources/pdf/d50-rapport-annuel-mcd-2022-t4-e.pdf?resVer=1678377232000

Publication
In voluntary sustainability report

Status
Complete

Attach the document
D50-GR~1.PDF

Page/Section reference
The whole Climate action report is focusing on climate change disclosure. See table of content to identify specific information.

Content elements
Governance
Strategy
Risks & opportunities

Emissions figures
Emission targets
Other metrics

Comment
2022 Climate action report (TCFD)
https://www.desjardins.com/ressources/pdf/d50-groupe-travail-info-changements-climatiques-GIFCC-2022-e.pdf?resVer=1681823210000

Publication
In voluntary sustainability report

Status
Complete

Attach the document
d50-rapport-sociale-2022-e.pdf
d50-index-gri-2022-e.pdf
d50-rapport-sasb-2022-e.pdf

Page/Section reference
Mainly in pages 20-27 (Section environment and climate); 63-66 (responsible finance).

Content elements
Governance
Strategy
Risks & opportunities
Emissions figures
Emission targets
Other metrics

Comment
2022 Social and Cooperative Responsibility Report
https://www.desjardins.com/ressources/pdf/d50-rapport-sociale-2022-e.pdf?resVer=1681824758000
This report is completed by a GRI index and a SASB index, both providing additional information on climate change approaches and indicators.
https://www.desjardins.com/ressources/pdf/d50-index-gri-2022-e.pdf
https://www.desjardins.com/ressources/pdf/d50-rapport-sasb-2022-e.pdf

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Publication
In voluntary sustainability report

Status
Complete

Attach the document
d50-rapport-prb-2022-e.pdf

Page/Section reference
p. 7-10

Content elements
Governance
Strategy
Risks & opportunities
Emission targets

Comment
As a PRB founding signatory in 2019, we published our third PRB report in March 2023 (covering the year 2022).

Publication
In voluntary sustainability report

Status
Complete

Attach the document
d50-rapport-psi-2022-e.pdf

Page/Section reference
p. 3-6

Content elements
Governance
Strategy
Risks & opportunities

Comment
As a PSI signatory since 2019, we published our fourth PSI report for the year 2022 in March 2023.

Publication
In voluntary sustainability report

Status
Complete

Attach the document
PUBLIC~4.PDF

PUBLIC~1.PDF
PUBLIC~2.PDF
PUBLIC~3.PDF

Page/Section reference
In the attached reports (and in the data portal of the PRI website), climate change-related information is published mainly in the climate change section.

Content elements
Please select

Comment
As a PRI signatory, Desjardins publishes on a yearly basis transparency reports for 4 of our entities listed below:
- Desjardins Investment Inc.
- Desjardins Global Assets Management
- Développement International Desjardins
- Desjardins Group Pension Plan

C12.5

(C12.5) Indicate the collaborative frameworks, initiatives and/or commitments related to environmental issues for which you are a signatory/member.

	Environmental collaborative framework, initiative and/or commitment	Describe your organization's role within each framework, initiative and/or commitment
Row 1	Business Ambition for 1.5C CDP Signatory Climate Action 100+ Glasgow Financial Alliance for Net Zero (GFANZ) Net Zero Asset Managers initiative Partnership for Carbon Accounting Financials (PCAF) Principle for Responsible Investment (PRI) Race to Zero Campaign Science-Based Targets Initiative for Financial Institutions (SBTi-FI) Task Force on Climate-related Financial Disclosures (TCFD) UNEP FI UNEP FI Principles for Responsible Banking UNEP FI Principles for Sustainable Insurance UNEP FI TCFD Pilot We Mean Business Other, please specify (Powering Past Coal Alliance, Climate Proof Canada, Climate Engagement Canada, Finance for Biodiversity Pledge)	Desjardins is a member, signatory or supporter of several climate-related initiatives and frameworks. We are a signatory of the UN PRI, PSI and PRB, and integrate ESG criteria in our operations and business activities. We committed in 2021 to the Business Ambition for 1.5°C (and therefore to the We mean business coalition), to the NZAMI (for our asset management business line) and to the SBTi-FI (targets under development) to formalize our net-zero 2040 climate ambition. We also are a member of the Powering Past Coal Alliance, in relation with our robust thermal coal policy. We are using the PCAF to measure and disclose our financed emissions in our TCFD-aligned climate report. We have participated every year between 2019 and 2023 to several UNEP FI TCFD pilots to develop our capacities, raise awareness in our teams and adopt leading practices.

C14. Portfolio Impact

C-FS14.0

(C-FS14.0) For each portfolio activity, state the value of your financing and insurance of carbon-related assets in the reporting year.

Lending to all carbon-related assets

Are you able to report a value for the carbon-related assets?
Yes

Value of the carbon-related assets in your portfolio (unit currency – as specified in C0.4)
71000000000

New loans advanced in reporting year (unit currency – as specified in C0.4)

Total premium written in reporting year (unit currency – as specified in C0.4)
<Not Applicable>

Percentage of portfolio value comprised of carbon-related assets in reporting year
19

Primary reason for not providing a value for the financing and/or insurance to carbon-related assets
<Not Applicable>

Please explain why you are not providing a value for the financing and/or insurance to carbon-related assets and your plans for the future
<Not Applicable>

Details of calculation
This percentage is calculated by dividing the exposure at default (EAD) to carbon-intensive sectors by the total credit risk EAD (see page 54, Pillar 3 Report.) at year end 2022. Carbon-intensive sectors include the energy, utilities, transportation, materials and buildings, agriculture, food and forest products sectors, but exclude water utilities, independent power producers and renewable energy producers, as defined by the TCFD (2021). Repo-style transactions and over-the-counter derivatives are not included in the calculation.

Lending to coal

Are you able to report a value for the carbon-related assets?
Yes

Value of the carbon-related assets in your portfolio (unit currency – as specified in C0.4)
282300000

New loans advanced in reporting year (unit currency – as specified in C0.4)

Total premium written in reporting year (unit currency – as specified in C0.4)
<Not Applicable>

Percentage of portfolio value comprised of carbon-related assets in reporting year
0.19

Primary reason for not providing a value for the financing and/or insurance to carbon-related assets
<Not Applicable>

Please explain why you are not providing a value for the financing and/or insurance to carbon-related assets and your plans for the future
<Not Applicable>

Details of calculation
Total committed amount to coal in our lending portfolio including large, medium and small enterprises by end of year 2022.

Lending to oil and gas

Are you able to report a value for the carbon-related assets?
Yes

Value of the carbon-related assets in your portfolio (unit currency – as specified in C0.4)
2200000000

New loans advanced in reporting year (unit currency – as specified in C0.4)

Total premium written in reporting year (unit currency – as specified in C0.4)
<Not Applicable>

Percentage of portfolio value comprised of carbon-related assets in reporting year
0.6

Primary reason for not providing a value for the financing and/or insurance to carbon-related assets
<Not Applicable>

Please explain why you are not providing a value for the financing and/or insurance to carbon-related assets and your plans for the future
<Not Applicable>

Details of calculation
Exposure at default for the energy sector loans in our lending book at end of year 2022.

Investing in all carbon-related assets (Asset manager)

Are you able to report a value for the carbon-related assets?
Yes

Value of the carbon-related assets in your portfolio (unit currency – as specified in C0.4)
3935000000

New loans advanced in reporting year (unit currency – as specified in C0.4)
<Not Applicable>

Total premium written in reporting year (unit currency – as specified in C0.4)
<Not Applicable>

Percentage of portfolio value comprised of carbon-related assets in reporting year
33

Primary reason for not providing a value for the financing and/or insurance to carbon-related assets
<Not Applicable>

Please explain why you are not providing a value for the financing and/or insurance to carbon-related assets and your plans for the future
<Not Applicable>

Details of calculation
Assets under management in listed equity and corporate bonds at year end 2022 in four carbon-intensive sectors: Industrials, materials, utilities and energy. Percentage based on the listed equity and corporate bonds portfolio only.

Investing in coal (Asset manager)

Are you able to report a value for the carbon-related assets?
Yes

Value of the carbon-related assets in your portfolio (unit currency – as specified in C0.4)
29000000

New loans advanced in reporting year (unit currency – as specified in C0.4)
<Not Applicable>

Total premium written in reporting year (unit currency – as specified in C0.4)
<Not Applicable>

Percentage of portfolio value comprised of carbon-related assets in reporting year
0.08

Primary reason for not providing a value for the financing and/or insurance to carbon-related assets
<Not Applicable>

Please explain why you are not providing a value for the financing and/or insurance to carbon-related assets and your plans for the future
<Not Applicable>

Details of calculation
Assets under management at year end 2022 in coal related investments. Percentage based on the total portfolio.

Investing in oil and gas (Asset manager)

Are you able to report a value for the carbon-related assets?
Yes

Value of the carbon-related assets in your portfolio (unit currency – as specified in C0.4)
1175700000

New loans advanced in reporting year (unit currency – as specified in C0.4)
<Not Applicable>

Total premium written in reporting year (unit currency – as specified in C0.4)
<Not Applicable>

Percentage of portfolio value comprised of carbon-related assets in reporting year
11

Primary reason for not providing a value for the financing and/or insurance to carbon-related assets
<Not Applicable>

Please explain why you are not providing a value for the financing and/or insurance to carbon-related assets and your plans for the future
<Not Applicable>

Details of calculation
Assets under management in listed equity and corporate bonds at year end 2022 in the energy GICS sector. Percentage based on the listed equity and corporate bonds portfolio only.

Investing all carbon-related assets (Asset owner)

Are you able to report a value for the carbon-related assets?
Yes

Value of the carbon-related assets in your portfolio (unit currency – as specified in C0.4)
3935000000

New loans advanced in reporting year (unit currency – as specified in C0.4)
<Not Applicable>

Total premium written in reporting year (unit currency – as specified in C0.4)
<Not Applicable>

Percentage of portfolio value comprised of carbon-related assets in reporting year
33

Primary reason for not providing a value for the financing and/or insurance to carbon-related assets
<Not Applicable>

Please explain why you are not providing a value for the financing and/or insurance to carbon-related assets and your plans for the future
<Not Applicable>

Details of calculation
Assets under management in listed equity and corporate bonds at year end 2022 in four carbon-intensive sectors: Industrials, materials, utilities and energy. Percentage based on the listed equity and corporate bonds portfolio only.

Investing in coal (Asset owner)

Are you able to report a value for the carbon-related assets?
Yes

Value of the carbon-related assets in your portfolio (unit currency – as specified in C0.4)
29000000

New loans advanced in reporting year (unit currency – as specified in C0.4)
<Not Applicable>

Total premium written in reporting year (unit currency – as specified in C0.4)
<Not Applicable>

Percentage of portfolio value comprised of carbon-related assets in reporting year
0.08

Primary reason for not providing a value for the financing and/or insurance to carbon-related assets
<Not Applicable>

Please explain why you are not providing a value for the financing and/or insurance to carbon-related assets and your plans for the future
<Not Applicable>

Details of calculation
Assets under management in listed equity and corporate bonds at year end 2022 in four carbon-intensive sectors: Industrials, materials, utilities and energy. Percentage based on the listed equity and corporate bonds portfolio only.

Investing in oil and gas (Asset owner)

Are you able to report a value for the carbon-related assets?
Yes

Value of the carbon-related assets in your portfolio (unit currency – as specified in C0.4)
1175700000

New loans advanced in reporting year (unit currency – as specified in C0.4)
<Not Applicable>

Total premium written in reporting year (unit currency – as specified in C0.4)
<Not Applicable>

Percentage of portfolio value comprised of carbon-related assets in reporting year
11

Primary reason for not providing a value for the financing and/or insurance to carbon-related assets
<Not Applicable>

Please explain why you are not providing a value for the financing and/or insurance to carbon-related assets and your plans for the future
<Not Applicable>

Details of calculation
Assets under management in listed equity and corporate bonds at year end 2022 in the energy sector. Percentage based on the listed equity and corporate bonds portfolio only.

Insuring all carbon-related assets

Are you able to report a value for the carbon-related assets?
No, but we plan to assess our portfolio's exposure in the next two years

Value of the carbon-related assets in your portfolio (unit currency – as specified in C0.4)
<Not Applicable>

New loans advanced in reporting year (unit currency – as specified in C0.4)
<Not Applicable>

Total premium written in reporting year (unit currency – as specified in C0.4)
<Not Applicable>

Percentage of portfolio value comprised of carbon-related assets in reporting year
<Not Applicable>

Primary reason for not providing a value for the financing and/or insurance to carbon-related assets
Please select

Please explain why you are not providing a value for the financing and/or insurance to carbon-related assets and your plans for the future
We are currently measuring our fossil fuel exposure and have not expanded the exposure to all carbon-related assets as defined by TCFD. We will be expanding this analysis in the coming years.

Details of calculation
<Not Applicable>

Insuring coal

Are you able to report a value for the carbon-related assets?
Yes

Value of the carbon-related assets in your portfolio (unit currency – as specified in C0.4)
0

New loans advanced in reporting year (unit currency – as specified in C0.4)
<Not Applicable>

Total premium written in reporting year (unit currency – as specified in C0.4)
0

Percentage of portfolio value comprised of carbon-related assets in reporting year

Primary reason for not providing a value for the financing and/or insurance to carbon-related assets
<Not Applicable>

Please explain why you are not providing a value for the financing and/or insurance to carbon-related assets and your plans for the future
<Not Applicable>

Details of calculation
There are no coal clients in our insurance book at year 2022.

Insuring oil and gas

Are you able to report a value for the carbon-related assets?
Yes

Value of the carbon-related assets in your portfolio (unit currency – as specified in C0.4)

New loans advanced in reporting year (unit currency – as specified in C0.4)
<Not Applicable>

Total premium written in reporting year (unit currency – as specified in C0.4)
32000000

Percentage of portfolio value comprised of carbon-related assets in reporting year
0.33

Primary reason for not providing a value for the financing and/or insurance to carbon-related assets
<Not Applicable>

Please explain why you are not providing a value for the financing and/or insurance to carbon-related assets and your plans for the future
<Not Applicable>

Details of calculation
Total premiums in the oil and gas sector divided by total premiums from property and casualty and life and health corporate clients by year end 2022.

C-FS14.1

(C-FS14.1) Does your organization measure its portfolio impact on the climate?

	We conduct analysis on our portfolio's impact on the climate	Disclosure metric	Please explain why you do not measure the impact of your portfolio on the climate
Banking (Bank)	Yes	Portfolio emissions Other carbon footprinting and/or exposure metrics (as defined by TCFD)	<Not Applicable>
Investing (Asset manager)	Yes	Other carbon footprinting and/or exposure metrics (as defined by TCFD)	<Not Applicable>
Investing (Asset owner)	Yes	Portfolio emissions Other carbon footprinting and/or exposure metrics (as defined by TCFD)	<Not Applicable>
Insurance underwriting (Insurance company)	Yes	Other carbon footprinting and/or exposure metrics (as defined by TCFD)	<Not Applicable>

C-FS14.1a

(C-FS14.1a) Provide details of your organization's portfolio emissions in the reporting year.

Banking (Bank)

Portfolio emissions (metric unit tons CO2e) in the reporting year
1405000

Portfolio coverage
92

Percentage calculated using data obtained from clients/investees
0

Emissions calculation methodology
The Global GHG Accounting and Reporting Standard for the Financial Industry

Please explain the details and assumptions used in your calculation
This total includes the following asset classes: Mortgages, vehicle loans and commercial real estate loans. Calculations based on the PCAF methodology.

Investing (Asset owner)

Portfolio emissions (metric unit tons CO2e) in the reporting year
330000

Portfolio coverage
89

Percentage calculated using data obtained from clients/investees
90

Emissions calculation methodology
The Global GHG Accounting and Reporting Standard for the Financial Industry

Please explain the details and assumptions used in your calculation
This footprint includes our listed equity and corporate bonds and our direct investments in real estate. Calculations based on the PCAF methodology.

C-FS14.1b

(C-FS14.1b) Provide details of the other carbon footprinting and/or exposure metrics used to track the impact of your portfolio on the climate.

Portfolio
Banking (Bank)

Portfolio metric
Other, please specify (Exposure to carbon-intensive sectors)

Metric value in the reporting year
19

Portfolio coverage
100

Percentage calculated using data obtained from clients/investees
0

Calculation methodology
This percentage is calculated by dividing the exposure at default (EAD) to carbon-intensive sectors by the total credit risk EAD (see page 54, Pillar 3 Report, Desjardins). Carbon-intensive sectors include the energy, utilities, transportation, materials and buildings, agriculture, food and forest products sectors, but exclude water utilities, independent power producers and renewable energy producers, as defined by the TCFD (2021). Repo-style transactions and over-the-counter derivatives are not included in the calculation.

Portfolio
Banking (Bank)

Portfolio metric

Other, please specify (Percentage (%) of renewables in total exposure at default for electricity production)

Metric value in the reporting year
83

Portfolio coverage
100

Percentage calculated using data obtained from clients/investees
0

Calculation methodology
This percentage is calculated based on the exposure at default of companies in the electricity production sector, prorated by source of electricity. The proportion of elecricity generated by each sources (renewables, fossil fuels, or other) is calculated at the company-level based on the amount of electricity produced (in GWh), the production capacity (GW) or the revenues.

Portfolio
Banking (Bank)

Portfolio metric
Other, please specify (Share of renewables in our lending to energy corporations)

Metric value in the reporting year
40

Portfolio coverage
100

Percentage calculated using data obtained from clients/investees
0

Calculation methodology
Share of renewables in our lending to energy corporations.

Portfolio
Investing (asset manager)

Portfolio metric
Other, please specify (Difference of WACI between Desjardins own funds and relevant indexes (%, below))

Metric value in the reporting year
40

Portfolio coverage
100

Percentage calculated using data obtained from clients/investees
0

Calculation methodology
The difference between the Weighted Average Carbon Intensity (WACI) of our investments in publicly traded securities and the WACI of the companies that make up the stock and bond market
benchmark indexes.
Coverage: 100% of our own funds listed equity and corporate bonds.
Note: while the metric range only allows positive numbers, this value should be considered negative as Desjardins own funds WACI is 40% lower than the WACI of relevant indices.

Portfolio
Investing (asset owner)

Portfolio metric
Other, please specify (The amount invested in renewable energy (our own investments and the Desjardins Group Pension Plan's investments))

Metric value in the reporting year
1700000000

Portfolio coverage
100

Percentage calculated using data obtained from clients/investees
0

Calculation methodology
We work with external partners to manage high-quality infrastructure investment portfolios for our partners and clients. Together with the Desjardins Group Pension Plan, we have a sizable infrastructure portfolio. Our infrastructure investments are concentrated in the renewable energy sector, which accounts for 42% of this portfolio . Renewable energy investments continue to grow. The portfolio stood at $1.7 billion on September 30, 2022, up by 13% from the end of 2021 (about 54% wind energy, 27% solar energy, and 19% hydroelectricity). This concentration of our infrastructure investments in the renewable energy sector reflects the commitment we made in 2018 to focus our energy investments towards renewable energy.

C-FS14.1c

(C-FS14.1c) Disclose or restate your portfolio emissions for previous years.

Past year 1 for Banking (Bank)

Start date
January 1 2021

End date
December 31 2021

Portfolio emissions (metric unit tons CO2e) in the reporting year
1423000

Portfolio coverage
92

Percentage calculated using data obtained from clients/investees
0

Emissions calculation methodology
The Global GHG Accounting and Reporting Standard for the Financial Industry

Please explain the details and assumptions used in your calculation
This total includes the following asset classes: Mortgages, vehicle loans and commercial real estate loans. Calculations based on the PCAF methodology.

Past year 1 for Investing (Asset owner)

Start date
January 1 2021

End date
December 31 2021

Portfolio emissions (metric unit tons CO2e) in the reporting year
391000

Portfolio coverage
89

Percentage calculated using data obtained from clients/investees
90

Emissions calculation methodology
The Global GHG Accounting and Reporting Standard for the Financial Industry

Please explain the details and assumptions used in your calculation
This footprint includes our listed equity and corporate bonds and our direct investments in real estate. Calculations based on the PCAF methodology.

Past year 2 for Banking (Bank)

Start date
January 1 2020

End date
December 31 2020

Portfolio emissions (metric unit tons CO2e) in the reporting year
1465000

Portfolio coverage
92

Percentage calculated using data obtained from clients/investees
0

Emissions calculation methodology
The Global GHG Accounting and Reporting Standard for the Financial Industry

Please explain the details and assumptions used in your calculation
This total includes the following asset classes: Mortgages, vehicle loans and commercial real estate loans. Calculations based on the PCAF methodology.

Past year 2 for Investing (Asset owner)

Start date
January 1 2020

End date
December 31 2020

Portfolio emissions (metric unit tons CO2e) in the reporting year
384000

Portfolio coverage
89

Percentage calculated using data obtained from clients/investees
90

Emissions calculation methodology
The Global GHG Accounting and Reporting Standard for the Financial Industry

Please explain the details and assumptions used in your calculation
This footprint includes our listed equity and corporate bonds and our direct investments in real estate. Calculations based on the PCAF methodology.

Past year 3 for Banking (Bank)

Start date

End date

Portfolio emissions (metric unit tons CO2e) in the reporting year

Portfolio coverage

Percentage calculated using data obtained from clients/investees

Emissions calculation methodology

Please select

Please explain the details and assumptions used in your calculation

Past year 3 for Investing (Asset owner)

Start date

End date

Portfolio emissions (metric unit tons CO2e) in the reporting year

Portfolio coverage

Percentage calculated using data obtained from clients/investees

Emissions calculation methodology

Please select

Please explain the details and assumptions used in your calculation

C-FS14.2

(C-FS14.2) Are you able to provide a breakdown of your organization's portfolio impact?

	Portfolio breakdown	Please explain why you do not provide a breakdown of your portfolio impact
Row 1	Yes, by asset class Yes, by country/area/region	<Not Applicable>

C-FS14.2a

(C-FS14.2a) Break down your organization's portfolio impact by asset class.

Asset class		Portfolio metric	Portfolio emissions or alternative metric
Banking	Corporate real estate	Absolute portfolio emissions (tCO2e)	545000
Banking	Retail mortgages	Absolute portfolio emissions (tCO2e)	394000
Banking	Other, please specify (Retail loans - motor vehicles)	Absolute portfolio emissions (tCO2e)	466000
Investing	Real estate/Property	Absolute portfolio emissions (tCO2e)	16000
Investing	Other, please specify (Listed equity and corporate bonds of our own investments)	Absolute portfolio emissions (tCO2e)	314000

C-FS14.2c

(C-FS14.2c) Break down your organization’s portfolio impact by country/area/region.

Portfolio	Country/area/region	Portfolio metric	Portfolio emissions or alternative metric
Banking (Bank)	Canada	Absolute portfolio emissions (tCO2e)	1405000
Investing (Asset owner)	Canada	Absolute portfolio emissions (tCO2e)	16000
Investing (Asset owner)	Other, please specify (N/A for listed equity and fixed income (mostly Canada, but not calculated))	Absolute portfolio emissions (tCO2e)	314000

C-FS14.3

(C-FS14.3) Did your organization take any actions in the reporting year to align your portfolio with a 1.5°C world?

	Actions taken to align our portfolio with a 1.5°C world	Briefly explain the actions you have taken to align your portfolio with a 1.5-degree world	Please explain why you have not taken any action to align your portfolio with a 1.5°C world
Banking (Bank)	Yes	Thermal coal exclusion Renewable energy target (40% share of renewables in our lending to energy corporations) Sustainable bond (500 M$) Green program (retail and corporate lending)	<Not Applicable>
Investing (Asset manager)	Yes	Carbon intensity of our own investments compared to benchmark indexes (weighted average carbon intensity): -40% The amount invested in renewable energy (our own investments and the Desjardins Group Pension Plan's investments): $1.7B Commitment to the Net Zero Asset Managers Initiative	<Not Applicable>
Investing (Asset owner)	Yes	Carbon intensity of our own investments compared to benchmark indexes (weighted average carbon intensity): -40% The amount invested in renewable energy (our own investments and the Desjardins Group Pension Plan's investments): $1.7B Commitment to the Net Zero Asset Managers Initiative	<Not Applicable>
Insurance underwriting (Insurance company)	Yes	Green program (building and motor vehicles)	<Not Applicable>

C-FS14.3a

(C-FS14.3a) Does your organization assess if your clients/investees' business strategies are aligned with a 1.5°C world?

	Assessment of alignment of clients/investees' strategies with a 1.5°C world	Please explain why you are not assessing if your clients/investees’ business strategies are aligned with a 1.5°C world
Banking (Bank)	No, but we plan to in the next two years	Our sustainable corporate lending team is currently structuring its approach, including hiring and training professionals to complete relevant tasks in the coming years. One of the key challenges is our very large exposure to the SME sector.
Investing (Asset manager)	Yes, for some	
Investing (Asset owner)	Yes, for some	
Insurance underwriting (Insurance company)	No, but we plan to in the next two years	Insurance teams are currently focused on physical risks analysis and will move on to evaluating alignment with a 1.5°C world in the coming years.

C15. Biodiversity

C15.1

(C15.1) Is there board-level oversight and/or executive management-level responsibility for biodiversity-related issues within your organization?

	Board-level oversight and/or executive management-level responsibility for biodiversity-related issues	Description of oversight and objectives relating to biodiversity	Scope of board-level oversight
Row 1	No, but we plan to have both within the next two years	<Not Applicable>	<Not Applicable>

C15.2

(C15.2) Has your organization made a public commitment and/or endorsed any initiatives related to biodiversity?

	Indicate whether your organization made a public commitment or endorsed any initiatives related to biodiversity	Biodiversity-related public commitments	Initiatives endorsed
Row 1	Yes, we have made public commitments and publicly endorsed initiatives related to biodiversity	Other, please specify (Committed to setting biodiversity targets by 2025 and collaborating towards sustainable economy)	Other, please specify (Finance for Biodiversity Pledge (FFB), FAIRR, CERES Working group on biodiversity (climate and land-use change))

C15.3

(C15.3) Does your organization assess the impacts and dependencies of its value chain on biodiversity?

Impacts on biodiversity

Indicate whether your organization undertakes this type of assessment
No, but we plan to within the next two years

Value chain stage(s) covered
<Not Applicable>

Portfolio activity
<Not Applicable>

Tools and methods to assess impacts and/or dependencies on biodiversity
<Not Applicable>

Please explain how the tools and methods are implemented and provide an indication of the associated outcome(s)
<Not Applicable>

Dependencies on biodiversity

Indicate whether your organization undertakes this type of assessment
No, but we plan to within the next two years

Value chain stage(s) covered
<Not Applicable>

Portfolio activity
<Not Applicable>

Tools and methods to assess impacts and/or dependencies on biodiversity
<Not Applicable>

Please explain how the tools and methods are implemented and provide an indication of the associated outcome(s)
<Not Applicable>

C15.4

(C15.4) Does your organization have activities located in or near to biodiversity- sensitive areas in the reporting year?
Not assessed

C15.5

(C15.5) What actions has your organization taken in the reporting year to progress your biodiversity-related commitments?

	Have you taken any actions in the reporting period to progress your biodiversity-related commitments?	Type of action taken to progress biodiversity- related commitments
Row 1	Yes, we are taking actions to progress our biodiversity-related commitments	Education & awareness Other, please specify (Engagement with investees on the protection of biodiversity and natural capital)

C15.6

(C15.6) Does your organization use biodiversity indicators to monitor performance across its activities?

	Does your organization use indicators to monitor biodiversity performance?	Indicators used to monitor biodiversity performance
Row 1	No, we do not use indicators, but plan to within the next two years	Please select

C15.7

(C15.7) Have you published information about your organization's response to biodiversity-related issues for this reporting year in places other than in your CDP response? If so, please attach the publication(s).

Report type	Content elements	Attach the document and indicate where in the document the relevant biodiversity information is located
In voluntary sustainability report or other voluntary communications	Content of biodiversity-related policies or commitments Risks and opportunities Biodiversity strategy	Desjardins Global Asset Management 2022 responsible investment report p.29-34 and 16 c15-dgia-responsible-investment-2022-e.pdf
In voluntary sustainability report or other voluntary communications	Content of biodiversity-related policies or commitments Risks and opportunities Other, please specify (other initiatives and projects)	Desjardins Group 2022 Climate action report p.3; 19 D50-GR~1.PDF
In voluntary sustainability report or other voluntary communications	Content of biodiversity-related policies or commitments Influence on public policy and lobbying Risks and opportunities	Op-ed in the National Observer (online national media) on the necessity to integrate biodiversity in the financial sector by the head of responsible investment for retail solutions at Desjardins. BIODIV~1.PDF
In voluntary sustainability report or other voluntary communications	Content of biodiversity-related policies or commitments Influence on public policy and lobbying	Article and case study in Responsible investors (online media) - Desjardins Global Asset Management PUTTIN~1.PDF

C16. Signoff

C-FI

(C-FI) Use this field to provide any additional information or context that you feel is relevant to your organization's response. Please note that this field is optional and is not scored.

C16.1

(C16.1) Provide details for the person that has signed off (approved) your CDP climate change response.

	Job title	Corresponding job category
Row 1	Chief Sustainability Officer	Chief Sustainability Officer (CSO)

SC. Supply chain module

SC0.0

(SC0.0) If you would like to do so, please provide a separate introduction to this module.

SC0.1

(SC0.1) What is your company's annual revenue for the stated reporting period?

	Annual Revenue
Row 1	21798000000

SC1.1

(SC1.1) Allocate your emissions to your customers listed below according to the goods or services you have sold them in this reporting period.

Requesting member
Canada Post Corporation

Scope of emissions
Scope 1

Scope 2 accounting method
<Not Applicable>

Scope 3 category(ies)
<Not Applicable>

Allocation level
Company wide

Allocation level detail
<Not Applicable>

Emissions in metric tonnes of CO2e

Uncertainty (±%)
100

Major sources of emissions
Energy use for buildings and our own fleet of vehicles

Verified
No

Allocation method
Other, please specify (No allocation at the client level)

Market value or quantity of goods/services supplied to the requesting member

Unit for market value or quantity of goods/services supplied
Currency

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made
As explained in question 1.3, we are currently unable to allocate GHG emissions to specific clients.

SC1.2

(SC1.2) Where published information has been used in completing SC1.1, please provide a reference(s).

Climate action report 2022, Independent limited assurance report (GHG)
https://www.desjardins.com/ca/about-us/social-responsibility-cooperation/reports/index.jsp

SC1.3

(SC1.3) What are the challenges in allocating emissions to different customers, and what would help you to overcome these challenges?

Allocation challenges	Please explain what would help you overcome these challenges
Diversity of product lines makes accurately accounting for each product/product line cost ineffective	Customers requesting companies with a diversified service offering to allocate GHG emissions to the product and services they consume could provide a list of the product/services bought in a table, with the associated cost when available (insurance premiums, banking fees, etc.). This would allow for diversified companies to allocate more easily on a revenu basis its GHG emissions for a given client.
Customer base is too large and diverse to accurately track emissions to the customer level	No solution identified for now
Doing so would require we disclose business sensitive/proprietary information	Communicating the market value of product and services provided to the client through the CDP platform might require a thorough additional IT security analysis from our side and a specific authorization to publish sensitive information (e.g. revenues from a client), both from our organization and the client.

SC1.4

(SC1.4) Do you plan to develop your capabilities to allocate emissions to your customers in the future?
No

SC1.4b

(SC1.4b) Explain why you do not plan to develop capabilities to allocate emissions to your customers.

Priority alignment. Developing this kind of capability would require time and investments from multiple teams (ESG, finance-marketing-sales across different business units) and external experts with no clear business case at this stage, given the rarity of such requests for now. Our current focus is on our climate-related action plan linked to industry regulatory requirements and other initiatives geared toward reducing our overall GHG emissions.

SC2.1

(SC2.1) Please propose any mutually beneficial climate-related projects you could collaborate on with specific CDP Supply Chain members.

SC2.2

(SC2.2) Have requests or initiatives by CDP Supply Chain members prompted your organization to take organizational-level emissions reduction initiatives?

No

SC4.1

(SC4.1) Are you providing product level data for your organization's goods or services?

No, I am not providing data

FW-FS Forests and Water Security (FS only)

FW-FS1.1

(FW-FS1.1) Is there board-level oversight of forests- and/or water-related issues within your organization?

	Board-level oversight of this issue area	Explain why your organization does not have board-level oversight of this issue area and any plans to address this in the future
Forests	No, but we plan to within the next two years	Emerging topic, included in the ESG risk management, but not specifically called out. The topic is also included in the current work to improve biodiversity and nature-related risks management in our organizational strategy.
Water	No, but we plan to within the next two years	Emerging topic, included in the ESG risk management, but not specifically called out. The topic is also included in the current work to improve biodiversity and nature-related risks management in our organizational strategy.

FW-FS1.1c

(FW-FS1.1c) Does your organization have at least one board member with competence on forests- and/or water-related issues?

Forests

Board member(s) have competence on this issue area

No, but we plan to address this within the next two years

Criteria used to assess competence of board member(s) on this issue area

<Not Applicable>

Primary reason for no board-level competence on this issue area

Important but not an immediate priority

Explain why your organization does not have at least one board member with competence on this issue area and any plans to address this in the future

Emerging topic, included in the ESG risk management, but not specifically called out. The topic is also included in the current work to improve biodiversity and nature-related risks management in our organizational strategy.

Water

Board member(s) have competence on this issue area

No, but we plan to address this within the next two years

Criteria used to assess competence of board member(s) on this issue area

<Not Applicable>

Primary reason for no board-level competence on this issue area

Important but not an immediate priority

Explain why your organization does not have at least one board member with competence on this issue area and any plans to address this in the future

Emerging topic, included in the ESG risk management, but not specifically called out. The topic is also included in the current work to improve biodiversity and nature-related risks management in our organizational strategy.

FW-FS1.2

(FW-FS1.2) Provide the highest management-level position(s) or committee(s) with responsibility for forests- and/or water-related issues.

FW-FS2.1

(FW-FS2.1) Do you assess your portfolio's exposure to forests- and/or water-related risks and opportunities?

	We assess our portfolio's exposure to this issue area	Explain why your portfolio's exposure is not assessed for this issue area and any plans to address this in the future
Banking – Forests exposure	No, but we plan to within the next two years	Emerging topic, included in the ESG risk management, but not specifically called out. The topic is also included in the current work to improve biodiversity and nature-related risks management in our organizational strategy.
Banking – Water exposure	No, but we plan to within the next two years	Emerging topic, included in the ESG risk management, but not specifically called out. The topic is also included in the current work to improve biodiversity and nature-related risks management in our organizational strategy.
Investing (Asset manager) – Forests exposure	No, but we plan to within the next two years	Emerging topic, included in the ESG risk management, but not specifically called out. The topic is also included in the current work to improve biodiversity and nature-related risks management in our organizational strategy.
Investing (Asset manager) – Water exposure	No, but we plan to within the next two years	Emerging topic, included in the ESG risk management, but not specifically called out. The topic is also included in the current work to improve biodiversity and nature-related risks management in our organizational strategy.
Investing (Asset owner) – Forests exposure	No, but we plan to within the next two years	Emerging topic, included in the ESG risk management, but not specifically called out. The topic is also included in the current work to improve biodiversity and nature-related risks management in our organizational strategy.
Investing (Asset owner) – Water exposure	No, but we plan to within the next two years	Emerging topic, included in the ESG risk management, but not specifically called out. The topic is also included in the current work to improve biodiversity and nature-related risks management in our organizational strategy.
Insurance underwriting – Forests exposure	No, but we plan to within the next two years	Emerging topic, included in the ESG risk management, but not specifically called out. The topic is also included in the current work to improve biodiversity and nature-related risks management in our organizational strategy.
Insurance underwriting – Water exposure	No, but we plan to within the next two years	Emerging topic, included in the ESG risk management, but not specifically called out. The topic is also included in the current work to improve biodiversity and nature-related risks management in our organizational strategy.

FW-FS2.2

(FW-FS2.2) Does your organization consider forests- and/or water-related information about clients/investees as part of its due diligence and/or risk assessment process?

	We consider forests- and/or water-related information	Explain why information related to this issue area is not considered and any plans to address this in the future
Banking – Forests-related information	No, but we plan to do so within the next two years	Emerging topic, included in the ESG risk management, but not specifically called out. The topic is also included in the current work to improve biodiversity and nature-related risks management in our organizational strategy.
Banking – Water-related information	No, but we plan to do so within the next two years	Emerging topic, included in the ESG risk management, but not specifically called out. The topic is also included in the current work to improve biodiversity and nature-related risks management in our organizational strategy.
Investing (Asset manager) – Forests-related information	No, but we plan to do so within the next two years	Emerging topic, included in the ESG risk management, but not specifically called out. The topic is also included in the current work to improve biodiversity and nature-related risks management in our organizational strategy.
Investing (Asset manager) – Water-related information	No, but we plan to do so within the next two years	Emerging topic, included in the ESG risk management, but not specifically called out. The topic is also included in the current work to improve biodiversity and nature-related risks management in our organizational strategy.
Investing (Asset owner) – Forests-related information	No, but we plan to do so within the next two years	Emerging topic, included in the ESG risk management, but not specifically called out. The topic is also included in the current work to improve biodiversity and nature-related risks management in our organizational strategy.
Investing (Asset owner) – Water-related information	No, but we plan to do so within the next two years	Emerging topic, included in the ESG risk management, but not specifically called out. The topic is also included in the current work to improve biodiversity and nature-related risks management in our organizational strategy.
Insurance underwriting – Forests-related information	No, but we plan to do so within the next two years	Emerging topic, included in the ESG risk management, but not specifically called out. The topic is also included in the current work to improve biodiversity and nature-related risks management in our organizational strategy.
Insurance underwriting – Water-related information	No, but we plan to do so within the next two years	Emerging topic, included in the ESG risk management, but not specifically called out. The topic is also included in the current work to improve biodiversity and nature-related risks management in our organizational strategy.

FW-FS2.3

(FW-FS2.3) Have you identified any inherent forests- and/or water-related risks in your portfolio with the potential to have a substantive financial or strategic impact on your business?

	Risks identified for this issue area	Primary reason why your organization has not identified any substantive risks for this issue area	Explain why your organization has not identified any substantive risks for this issue area
Forests	No	Not yet evaluated	Emerging topic, included in the ESG risk management, but not specifically called out. The topic is also included in the current work to improve biodiversity and nature-related risks management in our organizational strategy.
Water	No	Not yet evaluated	Emerging topic, included in the ESG risk management, but not specifically called out. The topic is also included in the current work to improve biodiversity and nature-related risks management in our organizational strategy.

FW-FS2.4

(FW-FS2.4) Have you identified any inherent forests- and/or water-related opportunities in your portfolio with the potential to have a substantive financial or strategic impact on your business?

	Opportunities identified for this issue area	Primary reason why your organization has not identified any substantive opportunities for this issue area	Explain why your organization has not identified any substantive opportunities for this issue area
Forests	No	Not yet evaluated	Emerging topic, included in the ESG risk management, but not specifically called out. The topic is also included in the current work to improve biodiversity and nature-related risks management in our organizational strategy.
Water	No	Not yet evaluated	Emerging topic, included in the ESG risk management, but not specifically called out. The topic is also included in the current work to improve biodiversity and nature-related risks management in our organizational strategy.

FW-FS3.1

(FW-FS3.1) Do you take forests- and/or water-related risks and opportunities into consideration in your organization's strategy and/or financial planning?

Forests

Risks and opportunities related to this issue area taken into consideration in strategy and/or financial planning
No, we do not take risks and opportunities into consideration

Description of influence on organization's strategy including own commitments
<Not Applicable>

Financial planning elements that have been influenced
<Not Applicable>

Description of influence on financial planning
<Not Applicable>

Explain why forests- and/or water-related risks and opportunities have not influenced your strategy and/or financial planning
Emerging topic, included in the ESG risk management, but not specifically called out. The topic is also included in the current work to improve biodiversity and nature-related risks management in our organizational strategy.

Water

Risks and opportunities related to this issue area taken into consideration in strategy and/or financial planning
No, we do not take risks and opportunities into consideration

Description of influence on organization's strategy including own commitments
<Not Applicable>

Financial planning elements that have been influenced
<Not Applicable>

Description of influence on financial planning
<Not Applicable>

Explain why forests- and/or water-related risks and opportunities have not influenced your strategy and/or financial planning
Emerging topic, included in the ESG risk management, but not specifically called out. The topic is also included in the current work to improve biodiversity and nature-related risks management in our organizational strategy.

FW-FS3.2

(FW-FS3.2) Has your organization conducted any scenario analysis to identify forests- and/or water-related outcomes?

Forests

Scenario analysis conducted to identify outcomes for this issue area
No, we have not conducted any scenario analysis to identify outcomes for this issue area, but we plan to in the next two years

Type of scenario analysis used
<Not Applicable>

Parameters, assumptions, analytical choices
<Not Applicable>

Description of outcomes for this issue area
<Not Applicable>

Explain how the outcomes identified using scenario analysis have influenced your strategy
<Not Applicable>

Explain why your organization has not conducted scenario analysis for this issue area and any plans to address this in the future
Emerging topic, included in the ESG risk management, but not specifically called out. The topic is also included in the current work to improve biodiversity and nature-related risks management in our organizational strategy.

Water

Scenario analysis conducted to identify outcomes for this issue area
No, we have not conducted any scenario analysis to identify outcomes for this issue area, but we plan to in the next two years

Type of scenario analysis used
<Not Applicable>

Parameters, assumptions, analytical choices
<Not Applicable>

Description of outcomes for this issue area
<Not Applicable>

Explain how the outcomes identified using scenario analysis have influenced your strategy
<Not Applicable>

Explain why your organization has not conducted scenario analysis for this issue area and any plans to address this in the future
Emerging topic, included in the ESG risk management, but not specifically called out. The topic is also included in the current work to improve biodiversity and nature-related risks management in our organizational strategy.

FW-FS3.3

(FW-FS3.3) Has your organization set targets for deforestation free and/or water secure lending, investing and/or insuring?

	Targets set	Explain why your organization has not set targets for deforestation free and/or water secure lending, investing and/or insuring and any plans to address this in the future
Forests	No, but we plan to set targets within the next two years	Our investment teams have committed to the finance for Biodiversity pledge, and will publish in the next 2 years targets related to biodiversity, likely including on forests.
Water Security	No, but we plan to set targets within the next two years	Our investment teams have committed to the finance for Biodiversity pledge, and will publish in the next 2 years targets related to biodiversity, likely including on water.

FW-FS3.4

(FW-FS3.4) Do any of your existing products and services enable clients to mitigate deforestation and/or water insecurity?

	Existing products and services that enable clients to mitigate deforestation and/or water insecurity	Explain why your organization does not offer products and services which enable clients to mitigate deforestation and/or water insecurity and any plans to address this in the future
Forests	No, and we do not plan to address this in the next two years	Our current service and product offering is being updated with a focus on climate change. Integrating biodiversity and nature-related factors, including forests and water is part of a longer term plan beyond the next two years.
Water	No, and we do not plan to address this in the next two years	Our current service and product offering is being updated with a focus on climate change. Integrating biodiversity and nature-related factors, including forests and water is part of a longer term plan beyond the next two years.

FW-FS3.5

(FW-FS3.5) Does the policy framework for the portfolio activities of your organization include forests- and/or water-related requirements that clients/investees need to meet?

	Policy framework includes this issue area	Explain why your organization does not include this issue area in the policy framework and any plans to address this in the future
Forests	No, and we do not plan to include this issue area in the next two years	While we engage on dialogues related to the protection of biodiversity and natural capital with our investees, we have not yet developed a policy framework with specific requirements on this topic. However, this is part of our long term planning.
Water	No, and we do not plan to include this issue area in the next two years	While we engage on dialogues related to the protection of biodiversity and natural capital with our investees, we have not yet developed a policy framework with specific requirements on this topic. However, this is part of our long term planning.

FW-FS3.6

(FW-FS3.6) Does your organization include covenants in financing agreements to reflect and enforce your forests- and/or water-related policies?

	Covenants included in financing agreements to reflect and enforce policies for this issue area	Explain how the covenants included in financing agreements relate to your policies for this issue area	Explain why your organization does not include covenants for this issue area in financing agreements and any plans to address this in the future
Forests	No, and we do not plan to in the next two years	<Not Applicable>	While we engage on dialogues related to the protection of biodiversity and natural capital with our investees, we have not yet developed a financing agreements with specific requirements relevant to this topic. However, this is part of our long term planning.
Water	No, and we do not plan to in the next two years	<Not Applicable>	While we engage on dialogues related to the protection of biodiversity and natural capital with our investees, we have not yet developed a financing agreements with specific requirements relevant to this topic. However, this is part of our long term planning.

FW-FS4.1

(FW-FS4.1) Do you engage with your clients/investees on forests- and/or water-related issues?

	We engage with clients/investees on this issue area	Explain why you do not engage with your clients/investees on the issue area and any plans to address this in the future
Clients – Forests	No, but we plan to within the next two years	Emerging topic, included in the ESG risk management, but not specifically called out. The topic is also included in the current work to improve biodiversity and nature-related risks management in our organizational strategy, including engagement with clients.
Clients – Water	No, but we plan to within the next two years	Emerging topic, included in the ESG risk management, but not specifically called out. The topic is also included in the current work to improve biodiversity and nature-related risks management in our organizational strategy, including engagement with clients.
Investees – Forests	Yes	<Not Applicable>
Investees – Water	Yes	<Not Applicable>

FW-FS4.1b

(FW-FS4.1b) Give details of your forests- and/or water-related engagement strategy with your investees.

Issue area this engagement relates to
Forests

Type of engagement
Engagement & incentivization (changing investee behavior)

Details of engagement
Please select

Investing (asset manager) portfolio coverage of engagement

Investing (asset owner) portfolio coverage of engagement

Rationale for the coverage of your engagement
Engagement targeted at investees with increased forest-related risks

Impact of engagement, including measures of success

Issue area this engagement relates to
Water

Type of engagement
Engagement & incentivization (changing investee behavior)

Details of engagement
Please select

Investing (asset manager) portfolio coverage of engagement

Investing (asset owner) portfolio coverage of engagement

Rationale for the coverage of your engagement
Non-targeted engagement

Impact of engagement, including measures of success

FW-FS4.2

(FW-FS4.2) Does your organization exercise its voting rights as a shareholder on forests- and/or water-related issues?

	We exercise voting rights as a shareholder on this issue area	Issues supported in shareholder resolutions	Give details of the impact your voting has had on this issue area	Explain why your organization does not exercise voting rights on this issue area and any plans to address this in the future
Forests	Yes	Halting deforestation	We support resolutions supporting ESG performance including considerations relevant to climate change, the protection of natural resources and fair employment practices.	<Not Applicable>
Water	Yes	Reduce water withdrawal and/or consumption Improve water efficiency Reduce water pollution Water, Sanitation and Hygiene (WASH) provision for all workers	We support resolutions supporting ESG performance including considerations relevant to climate change, the protection of natural resources and fair employment practices.	<Not Applicable>

FW-FS4.3

(FW-FS4.3) Does your organization provide financing and/or insurance to smallholders in the agricultural commodity supply chain?

	Provide financing and/or insurance to smallholders in the agricultural commodity supply chain	Agricultural commodity	Primary reason for not providing finance and/or insurance to smallholders	Explain why your organization does not provide finance/insurance to smallholders and any plans to change this in the future
Row 1	Yes	Timber products Soy Maize/corn Fruit Grain Vegetable Other oilseeds Cattle products Dairy and egg products Fish and seafood from aquaculture Poultry and hog	<Not Applicable>	<Not Applicable>

FW-FS4.3a

(FW-FS4.3a) Describe how the financing/insurance your organization provides enables smallholders to improve agricultural practices and reduce deforestation and/or water insecurity.

Timber products

Financial service provided
Please select

Smallholder financing/insurance approach
Please select

Other smallholder engagement approaches
Please select

Number of smallholders supported

Explain how the financing/insurance your organization provides enables smallholders to improve agricultural practices and reduce deforestation and/or water insecurity

Soy

Financial service provided
Please select

Smallholder financing/insurance approach
Please select

Other smallholder engagement approaches
Please select

Number of smallholders supported

Explain how the financing/insurance your organization provides enables smallholders to improve agricultural practices and reduce deforestation and/or water insecurity

Maize/corn

Financial service provided
Please select

Smallholder financing/insurance approach
Please select

Other smallholder engagement approaches
Please select

Number of smallholders supported

Explain how the financing/insurance your organization provides enables smallholders to improve agricultural practices and reduce deforestation and/or water insecurity

Fruit

Financial service provided
Please select

Smallholder financing/insurance approach
Please select

Other smallholder engagement approaches
Please select

Number of smallholders supported

Explain how the financing/insurance your organization provides enables smallholders to improve agricultural practices and reduce deforestation and/or water insecurity

Grain

Financial service provided
Please select

Smallholder financing/insurance approach
Please select

Other smallholder engagement approaches
Please select

Number of smallholders supported

Explain how the financing/insurance your organization provides enables smallholders to improve agricultural practices and reduce deforestation and/or water insecurity

Vegetable

Financial service provided
Please select

Smallholder financing/insurance approach
Please select

Other smallholder engagement approaches
Please select

Number of smallholders supported

Explain how the financing/insurance your organization provides enables smallholders to improve agricultural practices and reduce deforestation and/or water insecurity

Other oilseeds

Financial service provided
Please select

Smallholder financing/insurance approach
Please select

Other smallholder engagement approaches
Please select

Number of smallholders supported

Explain how the financing/insurance your organization provides enables smallholders to improve agricultural practices and reduce deforestation and/or water insecurity

Cattle products

Financial service provided
Please select

Smallholder financing/insurance approach
Please select

Other smallholder engagement approaches
Please select

Number of smallholders supported

Explain how the financing/insurance your organization provides enables smallholders to improve agricultural practices and reduce deforestation and/or water insecurity

Dairy and egg products

Financial service provided
Please select

Smallholder financing/insurance approach
Please select

Other smallholder engagement approaches
Please select

Number of smallholders supported

Explain how the financing/insurance your organization provides enables smallholders to improve agricultural practices and reduce deforestation and/or water insecurity

Fish and seafood from aquaculture

Financial service provided
Please select

Smallholder financing/insurance approach
Please select

Other smallholder engagement approaches
Please select

Number of smallholders supported

Explain how the financing/insurance your organization provides enables smallholders to improve agricultural practices and reduce deforestation and/or water insecurity

Poultry and hog

Financial service provided
Please select

Smallholder financing/insurance approach
Please select

Other smallholder engagement approaches
Please select

Number of smallholders supported

Explain how the financing/insurance your organization provides enables smallholders to improve agricultural practices and reduce deforestation and/or water insecurity

FW-FS4.4

(FW-FS4.4) Does your organization engage in activities that could directly or indirectly influence policy, law, or regulation that may impact forests and/or water security?

	External engagement activities that could directly or indirectly influence policy, law, or regulation that may impact this issue area	Primary reason for not engaging in activities that could directly or indirectly influence policy, law, or regulation that may impact this issue area	Explain why you do not engage in activities that could directly or indirectly influence policy, law, or regulation that may impact this issue area
Forests	Please select	<Not Applicable>	<Not Applicable>
Water	Please select	<Not Applicable>	<Not Applicable>

FW-FS5.1

(FW-FS5.1) Does your organization measure its portfolio impact on forests and/or water security?

	We measure our portfolio impact on this issue area	Explain how your organization measures its portfolio impact on this issue area, including any metrics used to quantify impact	Primary reason for not measuring portfolio impact on this issue area	Explain why your organization does not measure its portfolio impact on this issue area and any plans to change this in the future
Banking – Impact on Forests	No, but we plan to in the next two years	<Not Applicable>	Lack of internal resources	Emerging topic, included in the ESG risk management, but not specifically called out. The topic is also included in the current work to improve biodiversity and nature-related risks management in our organizational strategy, including impact quantification.
Banking – Impact on Water	No, but we plan to in the next two years	<Not Applicable>	Lack of internal resources	Emerging topic, included in the ESG risk management, but not specifically called out. The topic is also included in the current work to improve biodiversity and nature-related risks management in our organizational strategy, including impact quantification.
Investing (Asset manager) – Impact on Forests	No, but we plan to in the next two years	<Not Applicable>	Lack of internal resources	Emerging topic, included in the ESG risk management, but not specifically called out. The topic is also included in the current work to improve biodiversity and nature-related risks management in our organizational strategy, including impact quantification.
Investing (Asset manager) – Impact on Water	No, but we plan to in the next two years	<Not Applicable>	Lack of internal resources	Emerging topic, included in the ESG risk management, but not specifically called out. The topic is also included in the current work to improve biodiversity and nature-related risks management in our organizational strategy, including impact quantification.
Investing (Asset owner) – Impact on Forests	No, but we plan to in the next two years	<Not Applicable>	Lack of internal resources	Emerging topic, included in the ESG risk management, but not specifically called out. The topic is also included in the current work to improve biodiversity and nature-related risks management in our organizational strategy, including impact quantification.
Investing (Asset owner) – Impact on Water	No, but we plan to in the next two years	<Not Applicable>	Lack of internal resources	Emerging topic, included in the ESG risk management, but not specifically called out. The topic is also included in the current work to improve biodiversity and nature-related risks management in our organizational strategy, including impact quantification.
Insurance underwriting – Impact on Forests	No, but we plan to in the next two years	<Not Applicable>	Lack of internal resources	Emerging topic, included in the ESG risk management, but not specifically called out. The topic is also included in the current work to improve biodiversity and nature-related risks management in our organizational strategy, including impact quantification.
Insurance underwriting – Impact on Water	No, but we plan to in the next two years	<Not Applicable>	Lack of internal resources	Emerging topic, included in the ESG risk management, but not specifically called out. The topic is also included in the current work to improve biodiversity and nature-related risks management in our organizational strategy, including impact quantification.

FW-FS5.2

(FW-FS5.2) Does your organization provide finance or insurance to companies operating in any stages of the following forest risk commodity supply chains, and are you able to report on the amount of finance/insurance provided?

	Finance or insurance provided to companies operating in the supply chain for this commodity	Amount of finance/insurance provided will be reported	Explain why your organization is unable to report on the amount of finance/insurance provided for this commodity
Lending to companies operating in the timber products supply chain	Yes	No, but we plan to assess our portfolio's exposure to this commodity in the next two years	Emerging topic, included in the ESG risk management, but not specifically called out. The topic is also included in the current work to improve biodiversity and nature-related risks management in our organizational strategy, including impact quantification. We plan to assess our exposure to this commodity in the next two years.
Lending to companies operating in the palm oil products supply chain	No	<Not Applicable>	<Not Applicable>
Lending to companies operating in the cattle products supply chain	Yes	No, but we plan to assess our portfolio's exposure to this commodity in the next two years	Emerging topic, included in the ESG risk management, but not specifically called out. The topic is also included in the current work to improve biodiversity and nature-related risks management in our organizational strategy, including impact quantification. We plan to assess our exposure to this commodity in the next two years.
Lending to companies operating in the soy supply chain	Yes	No, but we plan to assess our portfolio's exposure to this commodity in the next two years	Emerging topic, included in the ESG risk management, but not specifically called out. The topic is also included in the current work to improve biodiversity and nature-related risks management in our organizational strategy, including impact quantification. We plan to assess our exposure to this commodity in the next two years.
Lending to companies operating in the rubber supply chain	No	<Not Applicable>	<Not Applicable>
Lending to companies operating in the cocoa supply chain	No	<Not Applicable>	<Not Applicable>
Lending to companies operating in the coffee supply chain	No	<Not Applicable>	<Not Applicable>
Investing (asset manager) to companies operating in the timber products supply chain	Yes	No, but we plan to assess our portfolio's exposure to this commodity in the next two years	Emerging topic, included in the ESG risk management, but not specifically called out. The topic is also included in the current work to improve biodiversity and nature-related risks management in our organizational strategy, including impact quantification. We plan to assess our exposure to this commodity in the next two years.
Investing (asset manager) to companies operating in the palm oil products supply chain	Yes	No, but we plan to assess our portfolio's exposure to this commodity in the next two years	Emerging topic, included in the ESG risk management, but not specifically called out. The topic is also included in the current work to improve biodiversity and nature-related risks management in our organizational strategy, including impact quantification. We plan to assess our exposure to this commodity in the next two years.
Investing (asset manager) to companies operating in the cattle products supply chain	Yes	No, but we plan to assess our portfolio's exposure to this commodity in the next two years	Emerging topic, included in the ESG risk management, but not specifically called out. The topic is also included in the current work to improve biodiversity and nature-related risks management in our organizational strategy, including impact quantification. We plan to assess our exposure to this commodity in the next two years.
Investing (asset manager) to companies operating in the soy supply chain	Yes	No, but we plan to assess our portfolio's exposure to this commodity in the next two years	Emerging topic, included in the ESG risk management, but not specifically called out. The topic is also included in the current work to improve biodiversity and nature-related risks management in our organizational strategy, including impact quantification. We plan to assess our exposure to this commodity in the next two years.
Investing (asset manager) to companies operating in the rubber supply chain	Yes	No, but we plan to assess our portfolio's exposure to this commodity in the next two years	Emerging topic, included in the ESG risk management, but not specifically called out. The topic is also included in the current work to improve biodiversity and nature-related risks management in our organizational strategy, including impact quantification. We plan to assess our exposure to this commodity in the next two years.

	Finance or insurance provided to companies operating in the supply chain for this commodity	Amount of finance/insurance provided will be reported	Explain why your organization is unable to report on the amount of finance/insurance provided for this commodity
Investing (asset manager) to companies operating in the cocoa supply chain	Yes	No, but we plan to assess our portfolio's exposure to this commodity in the next two years	Emerging topic, included in the ESG risk management, but not specifically called out. The topic is also included in the current work to improve biodiversity and nature-related risks management in our organizational strategy, including impact quantification. We plan to assess our exposure to this commodity in the next two years.
Investing (asset manager) to companies operating in the coffee supply chain	Yes	No, but we plan to assess our portfolio's exposure to this commodity in the next two years	Emerging topic, included in the ESG risk management, but not specifically called out. The topic is also included in the current work to improve biodiversity and nature-related risks management in our organizational strategy, including impact quantification. We plan to assess our exposure to this commodity in the next two years.
Investing (asset owner) to companies operating in the timber products supply chain	Yes	No, but we plan to assess our portfolio's exposure to this commodity in the next two years	Emerging topic, included in the ESG risk management, but not specifically called out. The topic is also included in the current work to improve biodiversity and nature-related risks management in our organizational strategy, including impact quantification. We plan to assess our exposure to this commodity in the next two years.
Investing (asset owner) to companies operating in the palm oil products supply chain	Yes	No, but we plan to assess our portfolio's exposure to this commodity in the next two years	Emerging topic, included in the ESG risk management, but not specifically called out. The topic is also included in the current work to improve biodiversity and nature-related risks management in our organizational strategy, including impact quantification. We plan to assess our exposure to this commodity in the next two years.
Investing (asset owner) to companies operating in the cattle products supply chain	Yes	No, but we plan to assess our portfolio's exposure to this commodity in the next two years	Emerging topic, included in the ESG risk management, but not specifically called out. The topic is also included in the current work to improve biodiversity and nature-related risks management in our organizational strategy, including impact quantification. We plan to assess our exposure to this commodity in the next two years.
Investing (asset owner) to companies operating in the soy supply chain	Yes	No, but we plan to assess our portfolio's exposure to this commodity in the next two years	Emerging topic, included in the ESG risk management, but not specifically called out. The topic is also included in the current work to improve biodiversity and nature-related risks management in our organizational strategy, including impact quantification. We plan to assess our exposure to this commodity in the next two years.
Investing (asset owner) to companies operating in the rubber supply chain	Yes	No, but we plan to assess our portfolio's exposure to this commodity in the next two years	Emerging topic, included in the ESG risk management, but not specifically called out. The topic is also included in the current work to improve biodiversity and nature-related risks management in our organizational strategy, including impact quantification. We plan to assess our exposure to this commodity in the next two years.
Investing (asset owner) to companies operating in the cocoa supply chain	Yes	No, but we plan to assess our portfolio's exposure to this commodity in the next two years	Emerging topic, included in the ESG risk management, but not specifically called out. The topic is also included in the current work to improve biodiversity and nature-related risks management in our organizational strategy, including impact quantification. We plan to assess our exposure to this commodity in the next two years.
Investing (asset owner) to companies operating in the coffee supply chain	Yes	No, but we plan to assess our portfolio's exposure to this commodity in the next two years	Emerging topic, included in the ESG risk management, but not specifically called out. The topic is also included in the current work to improve biodiversity and nature-related risks management in our organizational strategy, including impact quantification. We plan to assess our exposure to this commodity in the next two years.
Insuring companies operating in the timber products supply chain	No	<Not Applicable>	<Not Applicable>
Insuring companies operating in the palm oil products supply chain	No	<Not Applicable>	<Not Applicable>
Insuring companies operating in the cattle products supply chain	No	<Not Applicable>	<Not Applicable>
Insuring companies operating in the soy supply chain	No	<Not Applicable>	<Not Applicable>
Insuring companies operating in the rubber supply chain	No	<Not Applicable>	<Not Applicable>
Insuring companies operating in the cocoa supply chain	No	<Not Applicable>	<Not Applicable>
Insuring companies operating in the coffee supply chain	No	<Not Applicable>	<Not Applicable>

FW-FS6.1

(FW-FS6.1) Have you published information about your organization's response to forests- and/or water-related issues for this reporting year in places other than in your CDP response? If so, please attach the publication(s).

Focus of the Publication
Forests

Publication
In a voluntary sustainability report

Status
Complete

Attach the document
c15-dgia-responsible-investment-2022-e.pdf

Page/Section reference
p 31- 35

Content elements
Strategy
Risks and opportunities
Response to forests- and/or water-related risks and opportunities

Comment
Responsible investment report of Desjardins Global Assets Management

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Focus of the Publication
Water Security

Publication
In a voluntary sustainability report

Status
Complete

Attach the document
c15-dgia-responsible-investment-2022-e.pdf

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Content elements
Strategy
Risks and opportunities
Response to forests- and/or water-related risks and opportunities

Comment
Responsible investment report of Desjardins Global Assets Management

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Submit your response

In which language are you submitting your response?
English

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